

**STATE OF MICHIGAN
97TH LEGISLATURE
REGULAR SESSION OF 2014**

Introduced by Rep. Haveman

ENROLLED HOUSE BILL No. 5313

AN ACT to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2015 and other fiscal years; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2015, from the following funds:

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
APPROPRIATION SUMMARY**

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	446.0	
GROSS APPROPRIATION	\$	84,462,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		318,100
ADJUSTED GROSS APPROPRIATION	\$	84,144,100
Federal revenues:		
Total federal revenues		10,126,200
Special revenue funds:		
Total private revenues		98,300
Total other state restricted revenues		28,003,400
State general fund/general purpose	\$	45,916,200

Sec. 102. DEPARTMENTWIDE

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	27.0	
Commissions and boards	\$	23,800
Unclassified positions—6.0 FTE positions		524,700
Executive direction—9.0 FTE positions		1,392,800
Operational services—15.0 FTE positions		1,065,700
Statistical reporting service—1.0 FTE position		150,900
Emergency management—2.0 FTE positions		601,900
Accounting service center		968,100
Building occupancy charges		622,500
GROSS APPROPRIATION	\$	5,350,400
Appropriated from:		
Federal revenues:		
HHS-FDA		325,000
Special revenue funds:		
Private - commodity group revenue		77,600
Agricultural preservation fund		15,000
Agriculture licensing and inspection fees		112,100
Freshwater protection fund		22,200
Industry support funds		53,500
Nonretail liquor fees		27,800
Refined petroleum fund		220,300
State general fund/general purpose	\$	4,496,900

Sec. 103. INFORMATION AND TECHNOLOGY

Information technology services and projects	\$	1,460,000
GROSS APPROPRIATION	\$	1,460,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees		3,200
Special revenue funds:		
Agricultural preservation fund		200
Agriculture equine industry development fund		84,800
Agriculture licensing and inspection fees		32,400
Freshwater protection fund		100
Gasoline inspection testing fund		31,400
Nonretail liquor fees		500
State general fund/general purpose	\$	1,307,400

Sec. 104. FOOD AND DAIRY

Full-time equated classified positions	113.0	
Food safety and quality assurance—83.0 FTE positions	\$	12,378,200
Milk safety and quality assurance—30.0 FTE positions		4,219,200
GROSS APPROPRIATION	\$	16,597,400
Appropriated from:		
Federal revenues:		
HHS-FDA		1,175,800
USDA, multiple grants		134,200
Special revenue funds:		
Consumer and industry food safety education fund		318,700
Dairy and food safety fund		3,366,500
State general fund/general purpose	\$	11,602,200

Sec. 105. ANIMAL INDUSTRY

Full-time equated classified positions	60.0	
Animal disease prevention and response—60.0 FTE positions	\$	8,836,600
Indemnification - livestock depredation		50,000
GROSS APPROPRIATION	\$	8,886,600

Appropriated from:	
Federal revenues:	
HHS-FDA	\$ 45,900
USDA, multiple grants	519,500
Special revenue funds:	
Agriculture licensing and inspection fees	40,400
Animal welfare fund	217,400
State general fund/general purpose	\$ 8,063,400

Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT

Full-time equated classified positions	86.0
Pesticide and plant pest management—81.0 FTE positions	\$ 12,181,800
Producer security/grain dealers—5.0 FTE positions	646,700
GROSS APPROPRIATION	\$ 12,828,500

Appropriated from:	
Federal revenues:	
Department of interior	222,600
EPA, multiple grants	525,700
HHS-FDA	320,700
USDA, multiple grants	832,100
Special revenue funds:	
Private - slow-the-spread foundation	20,700
Agriculture licensing and inspection fees	3,818,700
Commodity inspection fees	437,100
Freshwater protection fund	151,900
Grain dealers fee fund	606,400
Horticulture fund	38,300
Industry support funds	243,000
State general fund/general purpose	\$ 5,611,300

Sec. 107. ENVIRONMENTAL STEWARDSHIP

Full-time equated classified positions	55.0
Environmental stewardship—8.0 FTE positions	\$ 1,246,100
Michigan agriculture environmental assurance program—15.0 FTE positions	4,284,100
Farmland and open space preservation—7.0 FTE positions	905,700
Qualified forest program—9.0 FTE positions	2,535,000
Commercial forestry audit program	150,000
Local conservation districts	2,173,800
Migrant labor housing—9.0 FTE positions	1,214,300
Right-to-farm—3.0 FTE positions	569,000
Intercounty drain—4.0 FTE positions	475,100
GROSS APPROPRIATION	\$ 13,553,100

Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDEQ, biosolids	101,400
Federal revenues:	
Department of interior	120,600
EPA, multiple grants	305,600
USDA, multiple grants	917,000
Special revenue funds:	
Agricultural preservation fund	584,000
Freshwater protection fund	5,013,000
Migratory labor housing fund	164,600
Private forestland enhancement fund	35,000
State general fund/general purpose	\$ 6,311,900

Sec. 108. LABORATORY PROGRAM

Full-time equated classified positions.....	90.0	
Laboratory services—36.0 FTE positions		\$ 5,409,200
USDA monitoring—13.0 FTE positions.....		1,598,600
Consumer protection program—41.0 FTE positions		6,083,100
GROSS APPROPRIATION		<u>\$ 13,090,900</u>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees.....		213,500
Federal revenues:		
EPA, multiple grants		168,900
HHS-FDA		613,100
USDA, multiple grants.....		1,599,500
Special revenue funds:		
Agriculture equine industry development fund.....		611,700
Agriculture licensing and inspection fees.....		77,400
Gasoline inspection and testing fund.....		2,562,300
Refined petroleum fund.....		3,691,700
Renewable fuels fund.....		51,800
Testing fees		288,400
Weights and measures regulation fees		1,002,200
State general fund/general purpose		<u>\$ 2,210,400</u>

Sec. 109. AGRICULTURE DEVELOPMENT

Full-time equated classified positions.....	14.0	
Agriculture development—11.0 FTE positions.....		\$ 3,579,500
Food and agriculture industry growth initiative.....		1,000,000
Grape and wine program—3.0 FTE positions.....		828,500
Rural development value-added grants.....		1,050,000
GROSS APPROPRIATION		<u>\$ 6,458,000</u>
Appropriated from:		
Federal revenues:		
USDA, multiple grants.....		2,300,000
Special revenue funds:		
Industry support funds.....		131,900
Nonretail liquor fees		783,400
State general fund/general purpose		<u>\$ 3,242,700</u>

Sec. 110. FAIRS AND EXPOSITIONS

Full-time equated classified positions.....	1.0	
Fairs and racing—1.0 FTE position.....		\$ 356,700
Shows and expositions		50,000
County fairs capital improvement grants		320,000
Purses and supplements - fairs/licensed tracks		708,300
Licensed tracks - light horse racing.....		40,300
Light horse racing - breeders' awards		20,000
Standardbred breeders' awards.....		285,900
Standardbred purses and supplements - licensed tracks		527,800
Standardbred sire stakes		239,000
Thoroughbred supplements - licensed tracks.....		385,900
Thoroughbred breeders' awards.....		358,600
Thoroughbred sire stakes		244,800
GROSS APPROPRIATION		<u>\$ 3,537,300</u>
Appropriated from:		
Special revenue funds:		
Agriculture equine industry development fund.....		3,167,300
State general fund/general purpose		<u>\$ 370,000</u>

Sec. 111. ONE-TIME BASIS ONLY

Food and agriculture industry growth initiative	\$	2,000,000
Muskegon farmers market		200,000
Ottawa County agriculture incubator		500,000
GROSS APPROPRIATION	\$	2,700,000
Appropriated from:		
State general fund/general purpose	\$	2,700,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$73,919,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$4,750,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Environmental stewardship	\$	209,000
Michigan agriculture environment assurance program		2,000,000
Local conservation districts		1,041,000
Qualified forest program		1,500,000
TOTAL	\$	4,750,000

Sec. 202. The appropriations authorized under part 1 and this part are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in part 1 and this part:

- (a) "Department" means the department of agriculture and rural development.
- (b) "Director" means the director of the department.
- (c) "EPA" means the United States environmental protection agency.
- (d) "Fiscal agencies" means the Michigan house fiscal agency and the Michigan senate fiscal agency.
- (e) "FTE" means full-time equated.
- (f) "HHS-FDA" means the United States department of health and human services - food and drug administration.
- (g) "IDG" means interdepartmental grant.
- (h) "LARA" means the Michigan department of licensing and regulatory affairs.
- (i) "LCC" means the Michigan liquor control commission.
- (j) "MDEQ" means the Michigan department of environmental quality.
- (k) "MDNR" means the Michigan department of natural resources.
- (l) "MOU" means memorandum of understanding.
- (m) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.
- (n) "TB" means tuberculosis.
- (o) "USDA" means the United States department of agriculture.

Sec. 205. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house

and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$6,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 215. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 218. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part

with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees on agriculture and rural development, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 230. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 231. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 232. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 is \$11,651,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$6,512,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$5,139,400.00.

DEPARTMENTWIDE

Sec. 301. (1) Pursuant to the appropriations in part 1, the department may receive and expend revenue and use that revenue to cover necessary expenses related to publications, audit and licensing functions, livestock sales, certification of nursery stock, and laboratory analyses as specified in the following:

(a) Management services publications.

(b) Management services audit and licensing functions.

(c) Pesticide and plant pest management propagation and certification of virus-free foundation stock.

(d) Pesticide and plant pest management grading services.

(e) Laboratory support testing for testing horses in draft horse pulling contests at county fairs when local jurisdictions request state assistance.

(f) Laboratory support analyses to determine foreign substances in horses engaged in racing or pulling contests at tracks.

(g) Laboratory support analyses of food, livestock, and agricultural products for disease, foreign products for disease, toxic materials, foreign substances, and quality standards.

(h) Laboratory support test samples for other agencies and organizations.

(i) Fruit and vegetable inspection at shipping and termination points and processing plants.

(2) The department shall notify the subcommittees and the fiscal agencies 30 days prior to proposing changes in fees authorized under this section or under section 5 of 1915 PA 91, MCL 285.35.

(3) Annually, before February 1, the department shall provide a report to the subcommittees and the fiscal agencies detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

Sec. 302. Of the funds appropriated in part 1 that are other than line-item grants, the department shall not provide grants to local government agencies, institutions of higher education, or nonprofit organizations unless the department provides notice of the grant to the subcommittees and fiscal agencies at least 10 days before the grant is issued. The grants shall be used to support research or other related activities for the purpose of enhancing the agricultural industries in this state.

FOOD AND DAIRY

Sec. 402. Not later than April 1, the department shall provide a report to the subcommittees and the fiscal agencies describing significant food-borne outbreaks and emergencies, including any enforcement actions taken related to food safety during the immediately preceding fiscal year.

ANIMAL INDUSTRY

Sec. 451. From the funds appropriated in part 1 for bovine tuberculosis, the department shall pay for all whole herd testing costs and individual animal testing costs in the modified accredited zone to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 453. (1) Of the funds appropriated in part 1, the department may provide for indemnity as provided for pursuant to the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, not to exceed \$100,000.00 per order from any line item for the current fiscal year. Before the department provides for an indemnification under this section, the department shall report the reason for the indemnification, the amount of the indemnification, and to whom the indemnification is to be paid. The report shall be given to the subcommittees and the fiscal agencies.

(2) The department of agriculture and rural development shall make an indemnification payment for the fair market value of livestock killed by a wolf, coyote, or cougar, if the kill is verified by the department of natural resources. The fair market value of the livestock shall be determined pursuant to the indemnification procedures prescribed in the animal industry act, 1988 PA 466, MCL 287.701 to 287.746.

(3) The funds appropriated in part 1 for indemnification - livestock depredation are appropriated for indemnification payments and related department costs under subsection (2). On or before March 1 of the current fiscal year, the department shall report to the subcommittees and the fiscal agencies on costs incurred in the previous 2 fiscal years for indemnification payments to producers made under subsection (2) and related department costs.

Sec. 454. The department shall use its resources to collaborate with the USDA to obtain TB-free status for the area of the Lower Peninsula that is zoned as modified accredited advanced. The department shall also aggressively work toward eradicating bovine TB in the modified accredited zone. The department shall also convene a workgroup to work toward eradicating bovine TB in the modified accredited zone.

Sec. 456. Of the funds appropriated in part 1, no funds shall be used to enforce the mandatory electronic animal identification program for any domestic animals other than cattle until specific procedures and guidelines for electronic animal identification are outlined in statute.

Sec. 457. On or before October 15 of the current fiscal year and on a quarterly basis thereafter, the department shall report to the senate and house agriculture committees, the subcommittees, and the fiscal agencies on the department's progress toward meeting the USDA requirements as outlined in the March 2007 bovine TB program review. The report shall include, but is not limited to, information and data on: wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements set out in the June 2007 MOU; efforts to work with slaughter facilities in Michigan, as well as those that slaughter a significant number of animals from Michigan; educational programs and information for Michigan's livestock community; any other item the legislature should be aware of that will promote or hinder efforts to achieve bovine TB-free status for Michigan.

Sec. 458. From the funds appropriated in part 1 for animal industry, the department shall provide inspection and testing of aquaculture facilities and aquaculture researchers as provided under section 7 of the Michigan aquaculture development act, 1996 PA 199, MCL 286.877. It is the intent of the legislature that the department shall work with aquaculture facilities and aquaculture researchers to identify, contain, and eradicate viral hemorrhagic septicemia in this state.

Sec. 459. It is the intent of the legislature that the department shall not conduct whole herd bovine TB testing on any 1 herd in a TB-free zone more often than every 4 years or re-test until all other herds in their county have been tested, unless involved in an epidemiological investigation, there is an outbreak within a 10 radius mile area, or is not on a verified wildlife risk mitigated premises. If there is an outbreak within a 10 radius mile area, protocols outlined by the current memorandum of understanding with the USDA shall be used.

ENVIRONMENTAL STEWARDSHIP

Sec. 601. The part 1 appropriation line item environmental stewardship shall be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under part 87 of the Michigan natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill of 2014.

Sec. 603. The appropriation in part 1 for local conservation districts shall be allocated in the following manner:

(a) Of the total appropriation, local conservation districts shall receive funds to carry out the functions of environmental conservation and protection programs within that district. The amount of money allocated under this subdivision shall not be used by local conservation districts to replace any funds received from local sources.

(b) Any amount remaining from the appropriation after distributions under subdivision (a) shall be allocated for local conservation district training.

Sec. 604. (1) Federal revenues authorized by and available from the federal government in excess of the appropriation in part 1 under section 107 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements.

(2) The department shall notify the subcommittees and fiscal agencies prior to expending federal revenues received and appropriated under subsection (1).

Sec. 605. No funds other than those appropriated in part 1 for the Michigan agriculture environmental assurance program shall be expended for administration or implementation of the Michigan agriculture environmental assurance program.

Sec. 607. (1) It is the intent of the legislature that the department continue its activities in support of intercounty drainage districts as provided in chapter 5 of the drain code of 1956, 1956 PA 40, MCL 280.101 to 280.106.

(2) The department shall work with representatives of intercounty drainage districts to develop a mutually agreeable method of funding department costs associated with the intercounty drainage program.

Sec. 608. (1) The appropriations in part 1 for qualified forest affidavit program are for the purpose of increasing the knowledge of nonindustrial private forestland owners of sound forest management practices and increasing the amount of commercial timber production from those lands.

(2) The department shall work in partnership with stakeholder groups and other state and federal agencies to increase the active management of nonindustrial private forestland to foster the growth of Michigan's timber product industry.

Sec. 609. From the appropriation in part 1 for commercial forestry audit program, it is the intent of the legislature to provide grant funding to the qualified nonprofit sustainable forestry initiative to work with public and private forestland owners to conduct site visits and prepare an analysis and audit of statewide best management practices for water quality and the related forest ecosystem, including native plant and animal species and wildlife habitat. The best management practices audit shall be performed by an audit team composed of qualified professionals, including, but not limited to, the department, the department of environmental quality, university faculty, and conservation groups.

AGRICULTURE DEVELOPMENT

Sec. 701. (1) The department shall establish and administer a rural development value-added grant program. The program shall promote the expansion of value-added agricultural production, processing, and access within the state.

(2) The department shall award grants on a competitive basis from the funds appropriated in part 1 for rural development value-added grants. Grantees will be required to provide a cash match and identify measurable project outcomes. Eligible grantees may include, but are not limited to, individuals, partnerships, cooperatives, private or public corporations, and local units of government.

(3) A joint evaluation committee shall be selected by the director with representatives with agriculture, business, and economic development expertise. The joint evaluation committee shall identify criteria, evaluate applications, and provide recommendations to the director for final approval of grant awards.

(4) The department may expend money from the funds appropriated in part 1 for the rural development value-added grants for administering the program.

(5) The unexpended portion of the rural development value-added grant program is considered a work project appropriation in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(6) The department shall provide an interim report no later than March 15 of the current fiscal year and a year-end report no later than September 30 of the current fiscal year to the subcommittees and the fiscal agencies, including the grantees, award amount, match funding, and project outcomes.

(7) Notwithstanding any other provisions of this section, the department shall award a \$200,000.00 rural development value-added grant to the Eastern Michigan food bank for completion of its new food hub facility.

Sec. 706. Not later than April 1 of the current fiscal year, the department shall provide a report to the subcommittees and the fiscal agencies describing the department's agriculture development and export market development activities. The report shall identify grants awarded during the prior fiscal year, including a description of federal or private funds made available as a result of department activities.

Sec. 709. (1) Not later than April 1 of the current fiscal year, the department shall provide a report to the subcommittees and the fiscal agencies describing the activities of the grape and wine industry council established under section 303 of the Michigan liquor control act of 1998, 1998 PA 58, MCL 436.1303.

(2) The report shall include all of the following:

(a) Council activities and accomplishments for the previous fiscal year.

(b) Council expenditures for the previous fiscal year by category of administration, industry support, research and education grants, and promotion and consumer education.

(c) Grants awarded during the prior fiscal year and the results of research grant projects completed during the prior fiscal year.

Sec. 711. (1) The department shall establish and administer the food and agriculture industry growth initiative. The program shall use a grant process to support research, education, and technical assistance efforts focused on removing barriers and leveraging opportunities identified by those in the food and agriculture industry as critical to business development and growth within the state.

(2) In addition to the funds appropriated in part 1, the department of agriculture and rural development may receive and expend funds received from outside sources for the food and agriculture industry growth initiative.

(3) The director shall establish a consortium of interested parties including those involved in the food and agriculture industry sector to develop the program priorities described in subsection (1).

(4) The department shall award grants from the funds appropriated in part 1 or received from outside sources under subsection (2) for food and agriculture industry growth initiative grants. Grantees will be required to identify measurable project outcomes.

(5) A joint evaluation committee selected by the director shall evaluate applications and provide recommendations to the director for final approval of grant awards.

(6) The department may expend money from the funds appropriated in part 1 for the food and agriculture industry growth initiative for administering the program.

(7) Notwithstanding other provisions of this section, of the funds appropriated in part 1 for food and agriculture industry growth initiative, \$250,000.00 shall be designated for a regional public private partnership consisting of Michigan Technological University and at least 1 pulp and paper manufacturing operation focused on removing existing barriers and leveraging opportunities directly related to combined heat and power co-located with sustainable agricultural food processing operations.

FAIRS AND EXPOSITIONS

Sec. 801. All appropriations from the agriculture equine industry development fund shall be spent on equine-related purposes. No funds from the agriculture equine industry development fund shall be expended for nonequine-related purposes without prior approval of the legislature.

Sec. 802. All appropriations from the agriculture equine industry development fund, except for the Michigan gaming control board's regulatory expenses and the department's expenses to administer horse racing programs and laboratory analysis, shall be reduced proportionately if revenues to the agriculture equine industry development fund decline during the preceding fiscal year to a level lower than the amounts appropriated in part 1.

Sec. 803. (1) In the event there is no live thoroughbred race meet in 2014 or 2015, all purse money and program money appropriated for the thoroughbred industry in fiscal year 2013-2014 and fiscal year 2014-2015 shall be held in escrow for a period not to exceed 18 months, or until a thoroughbred race meet license is applied for and granted by the Michigan gaming control board.

(2) In the event there is no live standardbred race meet in 2014 or 2015, all purse money and program money appropriated for the standardbred industry in fiscal year 2013-2014 and fiscal year 2014-2015 shall be held in escrow for a period not to exceed 18 months, or until a standardbred race meet license is applied for and granted by the Michigan gaming control board.

Sec. 804. It is the intent of the legislature that the Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house of representatives appropriations subcommittees on agriculture and rural development and general government and the fiscal agencies by November 1 of the current fiscal year. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 805. (1) The department shall establish and administer a county fairs capital improvement grant program. The program shall assist in the promotion of building improvements or other capital improvements at county fairgrounds of the state.

(2) The department shall award grants on a competitive basis to county fair organizations from the funds appropriated in part 1 for county fairs capital improvements grants. Grantees will be required to provide a dollar-for-dollar cash match with grant awards and identify measurable project outcomes.

(3) The department shall identify criteria, evaluate applications, and provide recommendations to the director for final approval of grant awards.

(4) The department may expend money from the funds appropriated in part 1 for the county fairs capital improvement grants for administering the program.

(5) The unexpended portion of the county fairs capital improvement grant program is considered a work project appropriation in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(6) The department shall provide a year-end report no later than December 1, 2015 to the subcommittees and the fiscal agencies, including the grantees, award amount, match funding, and project outcomes.

Sec. 806. (1) The amount appropriated in part 1 for shows and expositions shall be expended for the purpose of financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in Michigan.

(2) The department shall award grants for the purposes stipulated in subsection (1) on a competitive basis to persons organizing shows and expositions from the funds appropriated in part 1 for shows and expositions. Grantees will be required to provide a dollar-for-dollar cash match with grant awards and identify measurable project outcomes.

(3) The department shall identify criteria, evaluate applications, and provide recommendations to the director for final approval of grant awards.

(4) The unexpended portion of the appropriation for shows and expositions is considered a work project appropriation in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(5) The department shall provide a year-end report no later than December 1, 2015 to the subcommittees and the fiscal agencies, including the grantees, award amount, match funding, and project outcomes.

ONE-TIME BASIS APPROPRIATIONS ONLY

Sec. 1101. The 1-time appropriations in part 1 for food and agriculture industry growth initiative shall be expended in accordance with the requirements of section 711 of this part.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

ARTICLE IV

DEPARTMENT OF COMMUNITY HEALTH

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of community health for the fiscal year ending September 30, 2015, from the following funds:

DEPARTMENT OF COMMUNITY HEALTH

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,648.1	
Average population	893.0	
GROSS APPROPRIATION		\$ 18,215,375,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		9,425,900
ADJUSTED GROSS APPROPRIATION		\$ 18,205,950,000
Federal revenues:		
Total federal revenues		12,539,355,700
Social security act, temporary assistance for needy families		18,330,400
Special revenue funds:		
Total local revenues		220,102,400
Total private revenues		127,056,600
Merit award trust fund		68,334,700
Roads and risks reserve fund		60,900,000
Autism coverage fund		5,500,000
Total other state restricted revenues		1,926,668,800
State general fund/general purpose		\$ 3,239,701,400

Sec. 102. DEPARTMENTWIDE ADMINISTRATION

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	190.7	
Director and other unclassified—6.0 FTE positions		\$ 724,700
Departmental administration and management—180.7 FTE positions		27,088,800
Worker's compensation program		5,000,500
Rent and building occupancy		10,268,900

		For Fiscal Year Ending Sept. 30, 2015
Developmental disabilities council and projects—10.0 FTE positions	\$	3,042,200
Human trafficking intervention services.....		200,000
GROSS APPROPRIATION	\$	46,325,100
Appropriated from:		
Federal revenues:		
Total federal revenues		15,472,900
Special revenue funds:		
Total private revenues		35,200
Total other state restricted revenues		829,800
State general fund/general purpose	\$	29,987,200

Sec. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Full-time equated classified positions.....	103.0	
Behavioral health program administration—102.0 FTE positions	\$	51,172,900
Gambling addiction—1.0 FTE position.....		3,003,900
Protection and advocacy services support.....		194,400
Community residential and support services		592,100
Federal and other special projects		2,839,200
Family support subsidy		18,149,900
Housing and support services		13,238,800
GROSS APPROPRIATION	\$	89,191,200
Appropriated from:		
Federal revenues:		
Total federal revenues		39,567,400
Social security act, temporary assistance for needy families		18,330,400
Special revenue funds:		
Total private revenues		200,000
Total other state restricted revenues		3,003,900
State general fund/general purpose	\$	28,089,500

Sec. 104. BEHAVIORAL HEALTH SERVICES

Full-time equated classified positions.....	9.5	
Medicaid mental health services	\$	2,323,857,900
Community mental health non-Medicaid services		97,050,400
Mental health services for special populations.....		8,842,800
Medicaid substance use disorder services.....		45,867,300
CMHSP, purchase of state services contracts.....		139,465,600
Civil service charges		1,499,300
Federal mental health block grant—2.5 FTE positions		15,445,500
State disability assistance program substance use disorder services.....		2,018,800
Community substance use disorder prevention, education, and treatment.....		73,811,800
Children's waiver home care program.....		21,544,900
Nursing home PAS/ARR-OBRA—7.0 FTE positions		12,260,600
Children with serious emotional disturbance waiver.....		12,647,900
Health homes.....		900,000
Healthy Michigan plan - behavioral health		274,331,900
GROSS APPROPRIATION	\$	3,029,544,700
Appropriated from:		
Interdepartmental grant revenues:		
Interdepartmental grant from the department of human services.....		6,351,500
Federal revenues:		
Total federal revenues		1,937,773,000
Special revenue funds:		
Total local revenues		25,228,900
Total other state restricted revenues		22,506,200
State general fund/general purpose	\$	1,037,685,100

Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Total average population	893.0	
Full-time equated classified positions	2,130.9	
Caro Regional Mental Health Center - psychiatric hospital - adult—461.3 FTE positions	\$	56,257,100
Average population.....	185.0	
Kalamazoo Psychiatric Hospital - adult—466.1 FTE positions.....		64,409,100
Average population.....	189.0	
Walter P. Reuther Psychiatric Hospital - adult—420.8 FTE positions		55,919,900
Average population.....	234.0	
Hawthorn Center - psychiatric hospital - children and adolescents—226.4 FTE positions		28,778,000
Average population.....	75.0	
Center for forensic psychiatry—556.3 FTE positions		72,695,200
Average population.....	210.0	
Revenue recapture		750,000
IDEA, federal special education		120,000
Special maintenance		332,500
Purchase of medical services for residents of hospitals and centers		445,600
Gifts and bequests for patient living and treatment environment.....		1,000,000
GROSS APPROPRIATION	\$	280,707,400
Appropriated from:		
Federal revenues:		
Total federal revenues		34,724,400
Special revenue funds:		
CMHSP, purchase of state services contracts.....		139,465,600
Other local revenues		19,493,800
Total private revenues.....		1,000,000
Total other state restricted revenues		18,871,300
State general fund/general purpose	\$	67,152,300

Sec. 106. PUBLIC HEALTH ADMINISTRATION

Full-time equated classified positions	100.4	
Public health administration—7.3 FTE positions.....	\$	1,574,000
Health and wellness initiatives—11.7 FTE positions		8,950,000
Vital records and health statistics—81.4 FTE positions.....		11,483,500
GROSS APPROPRIATION	\$	22,007,500
Appropriated from:		
Interdepartmental grant revenues:		
Interdepartmental grant from the department of human services.....		1,208,200
Federal revenues:		
Total federal revenues		3,657,000
Special revenue funds:		
Total other state restricted revenues		12,053,900
State general fund/general purpose	\$	5,088,400

Sec. 107. HEALTH POLICY

Full-time equated classified positions	64.8	
Certificate of need program administration—12.3 FTE positions	\$	2,785,200
Emergency medical services program—23.0 FTE positions.....		6,421,800
Health innovation grants.....		1,500,000
Health policy administration—24.1 FTE positions		3,112,700
Michigan essential health provider.....		3,591,300
Minority health grants and contracts		612,700
Nurse education and research program—3.0 FTE positions		774,400
Primary care services—1.4 FTE positions		4,067,900
Rural health services—1.0 FTE position		1,555,500
GROSS APPROPRIATION	\$	24,421,500

Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of licensing and regulatory affairs.....	\$ 774,400
Interdepartmental grant from the department of treasury, Michigan state hospital finance authority.....	116,200
Federal revenues:	
Total federal revenues	7,994,500
Special revenue funds:	
Total private revenues	865,000
Total other state restricted revenues	6,565,700
State general fund/general purpose	\$ 8,105,700

Sec. 108. LABORATORY SERVICES

Full-time equated classified positions	100.0
Laboratory services—100.0 FTE positions	\$ 19,043,200
GROSS APPROPRIATION	\$ 19,043,200

Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of environmental quality	975,600
Federal revenues:	
Total federal revenues	2,298,100
Special revenue funds:	
Total other state restricted revenues	8,993,900
State general fund/general purpose	\$ 6,775,600

Sec. 109. EPIDEMIOLOGY AND INFECTIOUS DISEASE

Full-time equated classified positions	144.9
AIDS surveillance and prevention program.....	\$ 1,854,100
Bioterrorism preparedness—52.0 FTE positions	30,094,200
Epidemiology administration—41.6 FTE positions.....	11,845,700
Healthy homes program—8.0 FTE positions.....	4,386,200
Immunization program—12.8 FTE positions	15,022,300
Newborn screening follow-up and treatment services—10.5 FTE positions	6,748,800
Sexually transmitted disease control program—20.0 FTE positions	6,252,900
Tuberculosis control and prevention	867,000
GROSS APPROPRIATION	\$ 77,071,200

Appropriated from:	
Federal revenues:	
Total federal revenues	58,971,700
Special revenue funds:	
Total private revenues	338,800
Total other state restricted revenues	11,110,500
State general fund/general purpose	\$ 6,650,200

Sec. 110. LOCAL HEALTH ADMINISTRATION AND GRANTS

Full-time equated classified positions	2.0
Essential local public health services.....	\$ 40,886,100
Implementation of 1993 PA 133, MCL 333.17015	20,000
Local health services—2.0 FTE positions.....	537,300
Medicaid outreach cost reimbursement to local health departments	9,000,000
GROSS APPROPRIATION	\$ 50,443,400

Appropriated from:	
Federal revenues:	
Total federal revenues	9,537,300
Special revenue funds:	
Total local revenues.....	5,150,000
State general fund/general purpose	\$ 35,756,100

Sec. 111. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Full-time equated classified positions.....	96.0	
AIDS prevention, testing, and care programs—31.7 FTE positions.....		\$ 70,427,500
Cancer prevention and control program—12.0 FTE positions.....		15,009,000
Chronic disease control and health promotion administration—29.4 FTE positions.....		4,139,900
Diabetes and kidney program—8.0 FTE positions.....		1,893,300
Injury control intervention project.....		1,350,000
Smoking prevention program—12.0 FTE positions.....		2,111,000
Violence prevention—2.9 FTE positions.....		1,824,000
GROSS APPROPRIATION.....		\$ 96,754,700
Appropriated from:		
Federal revenues:		
Total federal revenues.....		49,169,800
Special revenue funds:		
Total private revenues.....		38,778,400
Total other state restricted revenues.....		5,535,000
State general fund/general purpose.....		\$ 3,271,500

Sec. 112. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Full-time equated classified positions.....	65.6	
Childhood lead program—2.5 FTE positions.....		\$ 1,236,200
Dental programs—3.0 FTE positions.....		1,647,600
Dental program for persons with developmental disabilities.....		151,000
Family, maternal, and children's health services administration—46.1 FTE positions.....		7,817,800
Family planning local agreements.....		8,310,700
Local MCH services.....		7,018,100
Pregnancy prevention program.....		602,100
Prenatal care outreach and service delivery support—14.0 FTE positions.....		19,685,700
Special projects.....		6,832,900
Sudden infant death syndrome program.....		321,300
GROSS APPROPRIATION.....		\$ 53,623,400
Appropriated from:		
Federal revenues:		
Total federal revenues.....		41,805,000
Special revenue funds:		
Total local revenues.....		75,000
Total private revenues.....		874,500
State general fund/general purpose.....		\$ 10,868,900

Sec. 113. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Full-time equated classified positions.....	45.0	
Women, infants, and children program administration and special projects—45.0 FTE positions..		\$ 17,923,200
Women, infants, and children program local agreements and food costs.....		256,285,000
GROSS APPROPRIATION.....		\$ 274,208,200
Appropriated from:		
Federal revenues:		
Total federal revenues.....		213,130,300
Special revenue funds:		
Total private revenues.....		61,077,900
State general fund/general purpose.....		\$ 0

Sec. 114. CHILDREN'S SPECIAL HEALTH CARE SERVICES

Full-time equated classified positions.....	46.8	
Children's special health care services administration—44.0 FTE positions.....		\$ 5,582,100
Bequests for care and services—2.8 FTE positions.....		1,528,800
Outreach and advocacy.....		5,510,000

		For Fiscal Year Ending Sept. 30, 2015
Nonemergency medical transportation.....	\$	1,505,900
Medical care and treatment		187,931,700
GROSS APPROPRIATION	\$	202,058,500
Appropriated from:		
Federal revenues:		
Total federal revenues		106,258,400
Special revenue funds:		
Total private revenues		1,009,300
Total other state restricted revenues		3,857,400
State general fund/general purpose	\$	90,933,400
Sec. 115. CRIME VICTIM SERVICES COMMISSION		
Full-time equated classified positions.....	13.0	
Grants administration services—13.0 FTE positions	\$	2,128,100
Justice assistance grants		15,000,000
Crime victim rights services grants.....		16,870,000
GROSS APPROPRIATION	\$	33,998,100
Appropriated from:		
Federal revenues:		
Total federal revenues		18,696,900
Special revenue funds:		
Total other state restricted revenues		15,301,200
State general fund/general purpose	\$	0
Sec. 116. OFFICE OF SERVICES TO THE AGING		
Full-time equated classified positions.....	40.0	
Office of services to aging administration—40.0 FTE positions.....	\$	7,600,700
Community services.....		39,013,900
Nutrition services		39,044,000
Foster grandparent volunteer program		2,233,600
Retired and senior volunteer program		627,300
Senior companion volunteer program.....		1,604,400
Employment assistance		3,500,000
Respite care program		5,868,700
GROSS APPROPRIATION	\$	99,492,600
Appropriated from:		
Federal revenues:		
Total federal revenues		57,534,600
Special revenue funds:		
Total private revenues		677,500
Merit award trust fund.....		4,068,700
Total other state restricted revenues		1,400,000
State general fund/general purpose	\$	35,811,800
Sec. 117. MEDICAL SERVICES ADMINISTRATION		
Full-time equated classified positions.....	495.5	
Medical services administration—435.5 FTE positions	\$	79,697,800
Healthy Michigan plan administration—36.0 FTE positions.....		49,353,800
Facility inspection contract.....		132,800
MICHild administration		3,500,000
Electronic health record incentive program—24.0 FTE positions		144,233,600
GROSS APPROPRIATION	\$	276,918,000
Appropriated from:		
Federal revenues:		
Total federal revenues		233,720,400
Special revenue funds:		
Total local revenues.....		105,900
Total private revenues		100,000
Total other state restricted revenues		331,700
State general fund/general purpose	\$	42,660,000

Sec. 118. MEDICAL SERVICES

Hospital services and therapy	\$ 1,251,951,200
Hospital disproportionate share payments	45,000,000
Physician services	393,821,100
Medicare premium payments	408,503,400
Pharmaceutical services	303,791,800
Home health services	5,804,700
Hospice services	111,982,500
Transportation	23,288,200
Auxiliary medical services	7,268,800
Dental services	200,341,500
Ambulance services	11,000,000
Long-term care services	1,393,963,800
Integrated care organizations	478,495,500
Medicaid home- and community-based services waiver	325,318,000
Adult home help services	302,440,800
Personal care services	12,237,000
Program of all-inclusive care for the elderly	66,672,600
Autism services	25,171,800
Health plan services	4,905,539,800
Health insurer fee reserve fund	87,057,500
MIChild program	71,220,100
Special indigent care payments	10,000,000
Federal Medicare pharmaceutical program	150,883,900
Maternal and child health	20,279,500
Healthy Michigan plan	2,376,690,900
Subtotal basic medical services program	12,988,724,400
School-based services	112,102,700
Special Medicaid reimbursement	321,831,500
Subtotal special medical services payments	433,934,200
GROSS APPROPRIATION	\$ 13,422,658,600
Appropriated from:	
Federal revenues:	
Total federal revenues	9,656,901,100
Special revenue funds:	
Total local revenues	30,583,200
Total private revenues	2,100,000
Merit award trust fund	64,266,000
Roads and risks reserve fund	60,900,000
Total other state restricted revenues	1,814,320,300
State general fund/general purpose	\$ 1,793,588,000

Sec. 119. INFORMATION TECHNOLOGY

Information technology services and projects	\$ 37,002,700
Michigan Medicaid information system	50,201,100
GROSS APPROPRIATION	\$ 87,203,800
Appropriated from:	
Federal revenues:	
Total federal revenues	45,480,400
Special revenue funds:	
Total private revenues	20,000,000
Total other state restricted revenues	1,988,000
State general fund/general purpose	\$ 19,735,400

Sec. 120. ONE-TIME BASIS ONLY APPROPRIATIONS

University autism programs	\$ 7,000,000
Autism family assistance services	1,500,000
Pay for success contracts	1,500,000

		For Fiscal Year Ending Sept. 30, 2015
Bone marrow transplant registry	\$	250,000
Child and adolescent health services		2,000,000
Mental health commission recommendations		8,962,500
Dental clinic program.....		4,092,300
Healthy kids dental computer project		3,000,000
Statewide trauma system		1,300,000
Senior Olympics		100,000
GROSS APPROPRIATION	\$	29,704,800
Appropriated from:		
Federal revenues:		
Total federal revenues		6,662,500
Special revenue funds:		
Autism coverage fund.....		5,500,000
State general fund/general purpose	\$	17,542,300

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$5,301,104,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$1,108,135,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF COMMUNITY HEALTH

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION

Community residential and support services.....	\$	757,200
Housing and support services		812,800

BEHAVIORAL HEALTH SERVICES

State disability assistance program substance use disorder services.....	\$	2,018,000
Community substance use disorder prevention, education, and treatment programs		14,553,400
Medicaid mental health services		772,083,300
Community mental health non-Medicaid services		97,050,400
Mental health services for special populations.....		8,842,800
Medicaid substance use disorder services.....		15,806,200
Children's waiver home care program.....		6,056,200
Nursing home PAS/ARR-OBRA		2,725,300

PUBLIC HEALTH ADMINISTRATION

Health and wellness initiatives	\$	3,584,600
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HEALTH POLICY

Primary care services	\$	413,900
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LABORATORY SERVICES

Laboratory services	\$	16,200
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EPIDEMIOLOGY AND INFECTIOUS DISEASE

Sexually transmitted disease control program	\$	175,200
Immunization program		1,123,500

LOCAL HEALTH ADMINISTRATION AND GRANTS

Implementation of 1993 PA 133, MCL 333.17015	\$	5,000
Essential local public health services.....		35,736,100

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

AIDS prevention, testing, and care programs	\$	1,600,100
Cancer prevention and control program		94,700
Chronic disease and health promotion administration.....		12,000

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Prenatal care outreach and service delivery support	\$	1,500,000
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CHILDREN'S SPECIAL HEALTH CARE SERVICES

Medical care and treatment	\$	939,700
Outreach and advocacy		2,226,000

CRIME VICTIM SERVICES COMMISSION

Crime victim rights services grants.....	\$	7,200,600
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OFFICE OF SERVICES TO THE AGING

Community services	\$	16,533,500
Nutrition services		10,587,000
Foster grandparent volunteer program		657,100
Retired and senior volunteer program		173,900
Senior companion volunteer program.....		348,800
Respite care program		5,115,000

MEDICAL SERVICES

Dental services	\$	990,600
Long-term care services.....		84,754,000
Transportation.....		1,359,300
Hospital services and therapy		2,344,700
Physician services		9,938,200

TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$	1,108,135,300
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Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "AIDS" means acquired immunodeficiency syndrome.
- (b) "CMHSP" means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) "Current fiscal year" means the fiscal year ending September 30, 2015.
- (d) "Department" means the department of community health.
- (e) "Director" means the director of the department.
- (f) "DSH" means disproportionate share hospital.
- (g) "EPSDT" means early and periodic screening, diagnosis, and treatment.
- (h) "Federal poverty level" means the poverty guidelines published annually in the federal register by the United States department of health and human services under its authority to revise the poverty line under 42 USC 9902.
- (i) "FTE" means full-time equated.
- (j) "GME" means graduate medical education.
- (k) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.
- (l) "HEDIS" means healthcare effectiveness data and information set.
- (m) "HIV" means human immunodeficiency virus.
- (n) "HMO" means health maintenance organization.
- (o) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (p) "MCH" means maternal and child health.

(q) “MIChild” means the program described in section 1670.

(r) “PAS/ARR-OBRA” means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.

(s) “PIHP” means a governmental entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.

(t) “Temporary assistance for needy families” means part A of title IV of the social security act, 42 USC 601 to 619.

(u) “Title X” means title X of the public health service act, 42 USC 300 to 300a-8, that establishes grants to states for family planning services.

(v) “Title XVIII” and “Medicare” mean title XVIII of the social security act, 42 USC 1395 to 1395kkk-1.

(w) “Title XIX” and “Medicaid” mean title XIX of the social security act, 42 USC 1396 to 1396w-5.

Sec. 204. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall maintain, on a public accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part and part 1. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on the Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

Sec. 210. The director and the director of the office of services to the aging shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director and the director of the office of services to the aging shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 212. (1) On or before February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

(2) Upon the release of the next fiscal year executive budget recommendation, the department shall report to the same parties in subsection (1) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the next fiscal year executive budget proposal.

Sec. 213. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan funds from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

(a) Detailed spending plan by appropriation line item including description of programs and a summary of organizations receiving these funds.

(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.

(c) Eligibility criteria for program participation and maximum benefit levels where applicable.

(d) Outcome measures used to evaluate programs, including measures of the effectiveness of these programs in improving the health of Michigan residents.

(e) Any other information considered necessary by the house of representatives or senate appropriations committees or the state budget director.

Sec. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation deductions in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 218. The department shall include the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.

(g) Community health annex of the Michigan emergency management plan.

(h) Prenatal care.

Sec. 219. (1) The department may contract with the Michigan public health institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before January 1 of the current fiscal year all of the following:

(a) A detailed description of each funded project.

(b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.

(c) The expected project duration.

(d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(2) On or before September 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan public health institute, its subcontractors, or the department with the funds appropriated in part 1 and allocated to the Michigan public health institute.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan-behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan-behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining appropriations shall not be allotted to support those line items.

Sec. 264. (1) Upon submission of a Medicaid waiver, a Medicaid state plan amendment, or a similar proposal to the centers for Medicare and Medicaid services, the department shall notify the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies of the submission.

(2) The department shall provide written or verbal biannual reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies summarizing the status of any new or ongoing discussions with the centers for Medicare and Medicaid services or the federal department of health and human services regarding potential or future Medicaid waiver applications.

(3) The department shall inform the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies of any alterations or adjustments made to the published plan for integrated care for individuals who are dual Medicare/Medicaid eligibles when the final version of the plan has been submitted to the federal centers for Medicare and Medicaid services or the federal department of health and human services.

(4) At least 30 days before implementation of the plan for integrated care for individuals who are dual Medicare/Medicaid eligibles, the department shall submit the plan to the legislature for review.

Sec. 266. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 267. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 270. Within 180 days after receipt of the notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106, or any other statute under which the department has the right to recover expenses, the department shall submit a written report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office which includes, at a minimum, all of the following:

(a) The total amount recovered from the legal action.

(b) The program or service for which the money was originally expended.

(c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.

(d) A description of the facts involved in the legal action.

Sec. 276. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 282. (1) The department shall work with the department of technology, management, and budget to establish an automated annual metric collection, validation, and reporting system for contracts via the state's e-procurement system by September 30 of the current fiscal year. The department shall report the status of this work and a project plan to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies by November 1 and May 1 of the current fiscal year.

(2) By June 30, 2016, the automated system established in subsection (1) shall be able to generate a report to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies that presents performance metrics on all new or existing contracts at renewal of \$1,000,000.00 or more funded only with state general fund/general purpose or state restricted resources. The performance metrics shall include, at a minimum, service delivery volumes and provider or beneficiary outcomes.

Sec. 287. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 288. (1) Beginning October 1 of the current fiscal year, no less than 90% of a new department contract supported solely from state restricted funds or general fund/general purpose funds and designated in this part or part 1 for a specific entity for the purpose of providing services to individuals shall be expended for such services after the first year of the contract.

(2) The department may allow a contract to exceed the limitation on administrative and services costs if it can be demonstrated that an exception should be made to the provision in subsection (1).

(3) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, house and senate fiscal agencies, and state budget office on the rationale for all exceptions made to the provision in subsection (1) and the number of contracts terminated due to violations of subsection (1).

Sec. 292. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 296. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees on community health, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 297. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$89,124,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$449,676,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$39,448,600.00.

Sec. 298. From the funds appropriated in part 1 for the Michigan Medicaid information system line item, \$20,000,000.00 in private revenue will be allocated for the Michigan-Illinois alliance Medicaid management information systems project.

Sec. 299. No state department or agency shall issue a request for proposal (RFP) for a contract in excess of \$5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

BEHAVIORAL HEALTH SERVICES

Sec. 401. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 402. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

(a) Any new contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.

(b) Any amendments to contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.

(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 403. (1) From the funds appropriated in part 1 for mental health services for special populations, the department may require each contractor to provide data and information on performance-related metrics. These metrics may include, but are not limited to, all of the following:

(a) Each contractor or subcontractor shall have a mission that is consistent with the purpose of multicultural integration funding.

(b) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(c) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(d) Each contractor or subcontractor shall ensure its ability to leverage private dollars to strengthen and maximize service provision.

(e) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet its stated goals.

(2) The department shall require an annual report from the contractors that receive mental health services for special populations funding. The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget office.

(3) The department of human services and the department shall convene a workgroup to discuss and make recommendations on including accreditation in the contractor specifications and potentially moving toward competitive bidding. Each contractor required to provide data per this section shall be invited to participate in the workgroup.

Sec. 404. (1) Not later than May 31 of the current fiscal year, the department shall provide a report on the community mental health services programs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders to the members of the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures by client population group.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by client group and fund source; and cost information by service category, including administration and funds specified for outside contracts. Service category includes all department-approved services.

(d) Data describing service outcomes that includes, but is not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to community mental health services programs that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the code and the determination of any appeals.

(g) An analysis of information provided by CMHSPs in response to the needs assessment requirements of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, including information about the number of individuals in the service delivery system who have requested and are clinically appropriate for different services.

(h) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(i) Information about contracts for both administrative and mental health services entered into by CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders with providers and others, including, but not limited to, all of the following:

(i) The amount of the contract, organized by type of service provided.

(ii) Payment rates, organized by the type of service provided.

(iii) Administrative costs, including contract and consultant costs, for services provided to CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(j) Information on the community mental health Medicaid managed care program, including, but not limited to, both of the following:

(i) Expenditures by each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders organized by Medicaid eligibility group, including per eligible individual expenditure averages.

(ii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(k) An estimate of the number of direct care workers in local residential settings and paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided by CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders as of September 30 of the prior fiscal year employed directly or through contracts with provider organizations.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

Sec. 406. (1) The funds appropriated in part 1 for the state disability assistance substance use disorder services program shall be used to support per diem room and board payments in substance use disorder residential facilities. Eligibility of clients for the state disability assistance substance use disorder services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance use disorder treatment center.

(2) The department shall reimburse all licensed substance use disorder programs eligible to participate in the program at a rate equivalent to that paid by the department of human services to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 407. (1) The amount appropriated in part 1 for substance use disorder prevention, education, and treatment grants shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 408. (1) By April 1 of the current fiscal year, the department shall report the following data from the prior fiscal year on substance use disorder prevention, education, and treatment programs to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget office:

(a) Expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by department-designated community mental health entity shall be reported.

(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(2) The department shall take all reasonable actions to ensure that the required data reported are complete and consistent among all department-designated community mental health entities.

Sec. 410. The department shall assure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department of human services who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 411. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 412. The department shall contract directly with the Salvation Army harbor light program to provide non-Medicaid substance use disorder services.

Sec. 418. On or before the tenth of each month, the department shall report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 424. Each PIHP that contracts with the department to provide services to the Medicaid population shall adhere to the following timely claims processing and payment procedure for claims submitted by health professionals and facilities:

(a) A "clean claim" as described in section 111i of the social welfare act, 1939 PA 280, MCL 400.111i, shall be paid within 45 days after receipt of the claim by the PIHP. A clean claim that is not paid within this time frame shall bear simple interest at a rate of 12% per annum.

(b) A PIHP shall state in writing to the health professional or facility any defect in the claim within 30 days after receipt of the claim.

(c) A health professional and a health facility have 30 days after receipt of a notice that a claim or a portion of a claim is defective within which to correct the defect. The PIHP shall pay the claim within 30 days after the defect is corrected.

Sec. 428. Each PIHP shall provide, from internal resources, local funds to be used as a bona fide part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

Sec. 435. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 494. (1) Contingent upon federal approval, if a CMHSP, PIHP, or subcontracting provider agency is reviewed and accredited by a national accrediting entity for behavioral health care services, the department, by April 1 of the current fiscal year, shall consider that CMHSP, PIHP, or subcontracting provider agency in compliance with state program review and audit requirements that are addressed and reviewed by that national accrediting entity.

(2) By June 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office all of the following:

(a) A list of each CMHSP, PIHP, and subcontracting provider agency that is considered in compliance with state program review and audit requirements under subsection (1).

(b) For each CMHSP, PIHP, or subcontracting provider agency described in subdivision (a), all of the following:

(i) The state program review and audit requirements that the CMHSP, PIHP, or subcontracting provider agency is considered in compliance with.

(ii) The national accrediting entity that reviewed and accredited the CMHSP, PIHP, or subcontracting provider agency.

(3) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(4) As used in this section, “national accrediting entity” means the joint commission on accreditation of healthcare organizations, the commission on accreditation of rehabilitation facilities, the council of accreditation, the utilization review accreditation commission, the national committee for quality assurance, or other appropriate entity, as approved by the department.

Sec. 495. From the funds appropriated in part 1 for behavioral health program administration, \$3,350,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 497. The population data used in determining the distribution of substance use disorder block grant funds shall be from the most recent federal census.

Sec. 502. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services. The department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by April 1 of the current fiscal year on efforts to prevent and combat fetal alcohol syndrome as well as deficiencies in efforts to reduce the incidence of fetal alcohol syndrome.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women. The department shall submit a progress report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by April 1 of the current fiscal year on efforts to secure federal grants.

Sec. 503. The department shall notify the Michigan association of community mental health boards when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 504. (1) The department shall create a workgroup to make recommendations to achieve more uniformity in capitation payments made to the PIHPs.

(2) The workgroup shall include but not be limited to representatives of the department, PIHPs, and CMHSPs.

(3) The department shall provide the workgroup’s recommendations to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director by March 1 of the current fiscal year.

Sec. 505. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 506. No later than November 30 of the current fiscal year, the department shall provide the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office with the most recent cost data information submitted by the CMHSPs on how the funds appropriated in part 1 for the community mental health services non-Medicaid services line item were expended by each CMHSP. At a minimum, the information must include CMHSPs general fund/general purpose costs for each of the following categories: administration, prevention, jail diversion and treatment services, MICHild program, children’s waiver home care program, children with serious emotional disturbance waiver program, services provided to individuals with mental illness and developmental disabilities who are not eligible for Medicaid, and the Medicaid spend down population.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 601. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 602. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 605. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on community health and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 606. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 608. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

PUBLIC HEALTH ADMINISTRATION

Sec. 650. By October 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on community health a report that includes detailed information regarding the current process by which fish consumption advisories are created and revised. The department shall include all of the following information in the report:

(a) The triggers to begin the process for developing the fish consumption advisories, such as evidence of human disease, fish residue data, and biomonitoring data.

(b) The process for developing and modifying a fish consumption advisory, including the data inputs used, the rationale behind the selection of particular fish for collection, whether the process has been independently reviewed and validated by a scientific panel or benchmarked in any way, and the reasons for the lack of any independent review, validation, or benchmarking.

(c) The type of data specific to a particular body of water that would be needed to modify a current fish consumption advisory, including the data quality criteria that are used to determine if data are suitable for use in the assessment and exclusions to bodies of data and the justifications for such exclusions.

(d) Information on the ways stakeholder input is incorporated into the fish consumption advisory process prior to an advisory being issued.

(e) Information on how advisory analyses are documented, including how uncertainty analyses are conducted and reported, with information as to whether these evaluations are publicly available and, if not available, an explanation of why any such evaluations are not publicly available.

Sec. 651. The department shall work with the Michigan health endowment fund corporation established pursuant to section 653 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1653, to explore ways to expand health and wellness programs.

Sec. 654. From the funds appropriated in part 1 for health and wellness initiatives, \$1,000,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant no less than 1/2 of the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.

HEALTH POLICY

Sec. 709. (1) The funds appropriated in part 1 for the Michigan essential health care provider program may also provide loan repayment for dentists that fit the criteria established by part 27 of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.

(2) From the funds appropriated in part 1 for the Michigan essential health provider program, the department may reduce the local and private share of the loan and repayment costs to 25% for primary care physicians, particularly obstetricians and gynecologists working in underserved areas.

Sec. 712. From the funds appropriated in part 1 for primary care services, \$250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 713. The department shall continue support of multicultural agencies that provide primary care services from the funds appropriated in part 1.

Sec. 715. The department shall evaluate options for incentivizing students attending medical schools in this state to meet their primary care residency requirements in this state and ultimately, for some period of time, to remain in this state and serve as primary care physicians.

Sec. 717. (1) The department may award health innovation grants to address emerging issues and encourage cutting edge advances in health care including strategic partners in both the public and private sectors.

(2) The unexpended funds appropriated for the health innovation grants are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the following fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to address emerging issues and encourage cutting edge advances in health care including strategic partners in both the public and private sectors.

(b) The project will be accomplished by providing incentive grants.

(c) The estimated cost of this project phase is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2019.

EPIDEMIOLOGY AND INFECTIOUS DISEASE

Sec. 851. (1) From the funds appropriated in part 1 for the healthy homes program, no less than \$1,750,000.00 shall be allocated for lead abatement of homes.

(2) The department shall coordinate its lead abatement efforts with the Michigan community action agency association, specifically on the issue of window replacement.

Sec. 852. The department shall develop a plan designed to improve Michigan's childhood and adolescent immunization rates. The department shall engage organizations working to provide immunizations and education about the value of vaccines, including, but not limited to, statewide organizations representing health care providers, local public health departments, child health interest groups, and private foundations with a mission to increase immunization rates.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 901. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 902. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 904. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environmental quality.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1001. From the funds appropriated in part 1 for chronic disease control and health promotion administration, \$150,000.00 is appropriated for Alzheimer's disease services and shall be remitted to the Alzheimer's association-Michigan chapters for the purpose of carrying out a pilot project in Macomb, Monroe, and St. Joseph Counties. The fiduciary for the funds is the Alzheimer's association-greater Michigan chapter. The Alzheimer's association shall provide enhanced services, including 24/7 helpline, continued care consultation, and support groups, to individuals with Alzheimer's disease or dementia and their families in the 3 counties, and partner with a Michigan public university to study whether provision of such in-home support services significantly delays the need for residential long-term care services for individuals with Alzheimer's disease or dementia. The study must also consider potential cost savings related to the delay of long-term care services, if a delay is shown.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1103. By January 3 of the current fiscal year the department shall annually issue to the legislature, and to the public on the Internet, a report providing estimated public funds administered by the department for family planning, sexually transmitted infection prevention and treatment, and pregnancies and births, as well as demographics collected by the department as voluntarily self-reported by individuals utilizing those services. The department shall provide the actual expenditures by marital status or, where actual expenditures are not available, shall provide estimated expenditures by marital status. The department may utilize the Plan First application (Form MSA 1582), MICHild, and Healthy Kids application (DCH 0373) or Assistance Application (DHS 1171) or any other official application for public assistance for medical coverage to determine the actual or estimated public expenditures based on marital status.

Sec. 1104. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1106. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of population affairs within the United States department of health and human services specifies in the program guidelines for project grants for family planning services. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1108. The department shall not use state restricted funds or state general funds appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1109. (1) From the amounts appropriated in part 1 for dental programs, funds shall be allocated to the Michigan dental association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) Not later than December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house standing committees on health policy the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the immediately preceding fiscal year.

Sec. 1136. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, \$800,000.00 shall be allocated for a pregnancy and parenting support services program, which program must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

Sec. 1137. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1138. The department shall allocate funds appropriated in section 113 of part 1 for family, maternal, and children's health services pursuant to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 1139. (1) By November 1, 2014, the department shall work jointly with the department of human services and the Michigan state housing development authority to appoint members to a joint task force to review housing rehabilitation, energy and weatherization, and hazard abatement program policies and to make recommendations for integrating and coordinating project delivery with the goals of serving more families and achieving better outcomes by maximizing state and federal resources. The joint task force must include all of the following:

(a) A representative of the department.

(b) A representative of the healthy homes section, lead safe home program.

(c) A construction management specialist.

(d) A representative of the community development division.

(e) A representative of the Michigan state housing development authority.

(f) An energy and weatherization staff representative from the department of human services.

(g) A local weatherization operator.

(h) A certified lead professional or a certified lead contractor.

(i) Representatives from at least 2 community organizations that address harmful housing conditions.

(2) The department and the Michigan state housing development authority shall organize the initial meeting of the task force and shall provide administrative support for the task force.

(3) By March 1, 2015, the task force described in subsection (1) shall provide to the house and senate chairs of the appropriations subcommittees for the department and the department of human services, the senate and house fiscal agencies, and the senate and house policy offices a report of its findings and recommendations.

Sec. 1140. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural health visitation services.

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1151. By January 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget office a report on the number of complaints received regarding access to generic peanut butter by county, and a report on savings gained from implementing the generic peanut butter purchasing requirement within the women, infants, and children food and nutrition program.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1202. The department may do 1 or more of the following:

(a) Provide special formula for eligible clients with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.

(c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

(d) Provide human growth hormone to eligible patients.

Sec. 1205. From the funds appropriated in part 1 for medical care and treatment, the department is authorized to spend up to \$500,000.00 for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner.

CRIME VICTIM SERVICES COMMISSION

Sec. 1302. From the funds appropriated in part 1 for justice assistance grants, up to \$200,000.00 shall be allocated for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

OFFICE OF SERVICES TO THE AGING

Sec. 1403. (1) By February 1 of the current fiscal year, the office of services to the aging shall require each region to report to the office of services to the aging and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

(a) The recipient's degree of frailty.

(b) The recipient's inability to prepare his or her own meals safely.

(c) Whether the recipient has another care provider available.

(d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on community health, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally-funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, \$1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

MEDICAL SERVICES ADMINISTRATION

Sec. 1501. The unexpended funds appropriated in part 1 for the electronic health records incentive program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the following fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to implement the Medicaid electronic health record program that provides financial incentive payments to Medicaid health care providers to encourage the adoption and meaningful use of electronic health records to improve quality, increase efficiency, and promote safety.

(b) The projects will be accomplished according to the approved federal advanced planning document.

(c) The estimated cost of this project phase is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2019.

Sec. 1502. The department shall spend available work project revenue plus any associated federal match to create and develop a transparency database website. This funding is contingent upon enactment of enabling legislation.

Sec. 1503. From the funds appropriated in part 1 for Healthy Michigan plan administration, the department shall establish an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

MEDICAL SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1603. (1) The department may establish a program for individuals to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$60.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1620. (1) For fee-for-service recipients who do not reside in nursing homes, the pharmaceutical dispensing fee shall be \$2.75 or the pharmacy's usual or customary cash charge, whichever is less. For nursing home residents, the pharmaceutical dispensing fee shall be \$3.00 or the pharmacy's usual or customary cash charge, whichever is less.

(2) The department shall require a prescription co-payment for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in the state of Michigan.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulations, the department shall require Medicaid recipients to pay the following co-payments:

- (a) Two dollars for a physician office visit.
- (b) Three dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital stay.
- (d) One dollar for an outpatient hospital visit.

Sec. 1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1659. The following sections of this part are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 404, 411, 418, 428, 494, 1607, 1657, 1662, 1699, 1764, 1765, 1815, 1820, 1850, 1881, and 1888.

Sec. 1662. (1) The department shall assure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the national committee for quality assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this part and part 1. Health coverage for children in families between 160% and 212% of the federal poverty level shall be provided through a state-based private health care program.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the federally approved MICHild state plan.

(3) Children whose category of eligibility changes between the Medicaid and MICHild programs shall be assured of keeping their current health care providers through the current prescribed course of treatment for up to 1 year, subject to periodic reviews by the department if the beneficiary has a serious medical condition and is undergoing active treatment for that condition.

(4) To be eligible for the MICHild program, a child must be residing in a family with an adjusted gross income of less than or equal to 212% of the federal poverty level. The department's verification policy shall be used to determine eligibility.

(5) The department shall contract with Medicaid health plans to provide physical health services to MICHild enrollees. The department may continue to obtain physical health services for MICHild enrollees from health maintenance organizations and preferred provider organizations currently under contract for whatever duration is needed as determined by the department. The department shall contractually require that health plans pay out-of-network providers at the department fee schedule. The department shall contract with qualified dental plans to provide dental coverage for MICHild enrollees.

(6) The department may enter into contracts to obtain certain MICHild services from community mental health service programs.

(7) The department may make payments on behalf of children enrolled in the MICHild program from the line-item appropriation associated with the program as described in the MICHild state plan approved by the United States department of health and human services, or from other medical services.

(8) The department shall assure that an external quality review of each MICHild contractor, as described in subsection (5), is performed, which analyzes and evaluates the aggregated information on quality, timeliness, and access to health care services that the contractor furnished to MICHild beneficiaries.

(9) The department shall develop an automatic enrollment algorithm that is based on quality and performance factors.

(10) MICHild services shall include treatment for autism spectrum disorders as defined in the federally approved Medicaid state plan.

Sec. 1673. The department may establish premiums for MICHild eligible individuals in families with income above 150% of the federal poverty level. The monthly premiums shall not be less than \$10.00 or exceed \$15.00 for a family.

Sec. 1677. The MICHild program shall provide all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) The department shall implement enforcement actions as specified in the nursing facility enforcement provisions of section 1919 of title XIX, 42 USC 1396r.

(2) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(3) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$378,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that includes a children's hospital that has a high indigent care volume.

Sec. 1699. (1) The department may make separate payments in the amount of \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid clients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate \$45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

(3) By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the new distribution of funding to each eligible hospital from the GME and DSH pools.

Sec. 1724. The department shall allow licensed pharmacies to purchase injectable drugs for the treatment of respiratory syncytial virus for shipment to physicians' offices to be administered to specific patients. If the affected patients are Medicaid eligible, the department shall reimburse pharmacies for the dispensing of the injectable drugs and reimburse physicians for the administration of the injectable drugs.

Sec. 1757. The department shall direct the department of human services to obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1764. The department shall annually certify rates paid to Medicaid health plans and specialty prepaid inpatient health plans as being actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval immediately to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies.

Sec. 1765. There shall be established a health insurer fee reserve fund of \$30,000,000.00 general fund/general purpose and associated federal match to provide funding to Medicaid health plans for the cost of the 2015 insurance provider's fee under section 9010 of the patient protection and affordable care act, Public Law 111-148, as amended by the health care and education reconciliation act of 2010, Public Law 111-152. Funds will be expended as provided for in this section only after the internal revenue service finalizes the 2015 percent assessment of the fee and the state budget director approves the amount of reimbursement from the fund. The state budget director shall provide notification to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies at least 15 days before exercising the authority under this section. Upon notification by the state budget director, the funds shall be available for use as a source of financing for Medicaid health plan payments.

Sec. 1775. If the state's application for a waiver to implement managed care for dual Medicare/Medicaid eligibles is approved by the federal government, the department shall provide quarterly reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on progress in implementing the waiver.

Sec. 1800. From the \$85,000,000.00 increase in funding in part 1 for outpatient disproportionate share hospital payments, the department shall explore establishing a Medicaid value pool that rewards and incentivizes hospitals providing low-cost and high-quality Medicaid services. The department shall convene a workgroup of hospitals to assist in the development of the metrics utilized to determine value, and shall report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the results of the workgroup by April 1 of the current fiscal year.

Sec. 1801. Beginning January 1, 2015, from the funds appropriated in part 1 for physician services and health plan services, the department shall use \$25,000,000.00 in general fund/general purpose plus associated federal match to increase Medicaid rates for primary care services provided only by primary care providers. For the purpose of this section, a primary care provider is a physician, or a practitioner working under the personal supervision of a physician, who is board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency. Providers performing a service and whose primary practice is as a non-primary-care subspecialty is not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only.

Sec. 1802. From the funds appropriated in part 1, a lump-sum payment shall be made to hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. The payment shall be calculated as \$830.00 for each obstetrical care case payment and each newborn care case payment for all such cases billed by the qualified hospitals for fiscal year 2012-2013 and shall be paid through the Medicaid health plan hospital rate adjustment process by January 1 of the current fiscal year.

Sec. 1804. The department, in cooperation with the department of human services and the department of military and veterans affairs, shall work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

Sec. 1815. From the funds appropriated in part 1 for health plan services, the department shall not implement a capitation withhold as part of the overall capitation rate schedule that exceeds the 0.19% withhold administered during fiscal year 2008-2009.

Sec. 1820. (1) In order to avoid duplication of efforts, the department shall utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for Medicaid health plans that have been reviewed and accredited by a national accrediting entity for health care services.

(2) Upon submission by Medicaid health plans of a listing of program requirements that are part of the state program review criteria but are not reviewed by an applicable national accrediting entity, the department shall review the listing and provide a recommendation to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office as to whether or not state program review should continue. The Medicaid health plans may request the department to convene a workgroup to fulfill this section.

(3) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(4) As used in this section, “national accrediting entity” means the national committee for quality assurance, the utilization review accreditation committee, or other appropriate entity, as approved by the department.

(5) By July 1 of the current fiscal year, the department shall provide a progress report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office on implementation of this section.

Sec. 1837. The department shall explore utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients in medically underserved areas.

Sec. 1842. (1) Subject to the availability of funds, the department shall adjust the hospital outpatient Medicaid reimbursement rate for qualifying hospitals as provided in this section. The Medicaid reimbursement rate for qualifying hospitals shall be adjusted to provide each qualifying hospital with its actual cost of delivering outpatient services to Medicaid recipients.

(2) As used in this section, “qualifying hospital” means a hospital that has not more than 50 staffed beds and is either located outside a metropolitan statistical area or in a metropolitan statistical area but within a city, village, or township with a population of not more than 12,000 according to the official 2010 federal decennial census and within a county with a population of not more than 165,000 according to the official 2010 federal decennial census.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

Sec. 1848. It is the intent of the legislature that the healthy kids dental program be expanded in fiscal year 2015-2016 to cover Kent, Oakland, and Wayne counties.

Sec. 1850. The department may allow Medicaid health plans to assist with the redetermination process through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan.

Sec. 1854. The department may work with a provider of kidney dialysis services and renal care as authorized under section 2703 of the patient protection and affordable care act, Public Law 111-148, to develop a chronic condition health home program for Medicaid enrollees identified with chronic kidney disease and who are beginning dialysis. If initiated, the department shall develop metrics that evaluate program effectiveness and submit a report by June 1 of the current fiscal year to the senate and house appropriations subcommittees on community health. Metrics shall include cost savings and clinical outcomes.

Sec. 1858. Medicaid services shall include treatment for autism spectrum disorders as defined in the federally approved Medicaid state plan. Such alternatives may be coordinated with the Medicaid health plans and the Michigan association of health plans.

Sec. 1861. (1) The department shall conduct a review of the efficiency and effectiveness of the current nonemergency transportation system funded in part 1. For nonemergency transportation services provided outside the current broker coverage, the review is contingent on available detailed travel data, including methods of travel, number of people served, travel distances, number of trips, and costs of trips. The department shall report the results of the review required under this subsection to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies no later than September 30 of the current fiscal year.

(2) The department shall create a pilot nonemergency transportation system in at least 2 counties with priority given to Berrien and Muskegon Counties to provide nonemergency transportation services encouraging use of nonprofit entities. The transportation providers selected by the department are responsible for ensuring that federal and state safety and training standards are met.

Sec. 1862. From the funds appropriated in part 1, the department shall increase payment rates for Medicaid obstetrical services to 95% of Medicare levels effective October 1, 2014.

Sec. 1865. Upon federal approval of the department's proposal for integrated care for individuals who are dual Medicare/Medicaid eligibles, the department shall provide the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies its plan and organizational chart for administering and providing oversight of this proposal. The plan shall include information on how the department intends to organize staff in an integrated manner to ensure that key components of the proposal are implemented effectively.

Sec. 1866. (1) From the funds appropriated in part 1 for hospital services and therapy, \$12,000,000.00 in general fund/general purpose revenue and any associated federal match shall be awarded to hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services.

(2) No hospital or hospital system shall receive more than 10.0% of the total funding referenced in subsection (1).

(3) To allow hospitals to understand their rural payment amounts under this section, the department shall provide hospitals with the methodology for distribution under this section and provide each hospital with its applicable data that are used to determine the payment amounts by August 1 of the current fiscal year. The department shall publish the distribution of payments for the current fiscal year and the immediately preceding fiscal year.

(4) The department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the distribution of funds referenced in subsection (1) by April 1 of the current fiscal year.

Sec. 1870. The department shall work in collaboration with Michigan-based medical schools that choose to participate in the creation of a graduate medical education consortium known as MIDocs. The purpose of MIDocs is to develop freestanding residency training programs in primary care and other ambulatory care-based specialties. MIDocs shall design residency training programs to address physician shortage needs in this state, including placing physicians post-residency in underserved communities across this state. MIDocs shall give special consideration to small and rural hospitals with a GME program director. MIDocs' voting members will include any Michigan-based university with a medical school or an affiliated faculty practice physician group that is making a substantial contribution to MIDocs programs. The department shall be a permanent nonvoting member of MIDocs. The department, in collaboration with MIDocs voting members, may also appoint nonvoting members to MIDocs to represent various stakeholders. As the sponsoring institution and fiduciary, MIDocs shall assure initial and continued accreditation from the accreditation council for graduate medical education or ACGME, financial accountability, clinical quality, and compliance. The department shall require an annual report from MIDocs detailing per resident costs for medical training and clinical quality measures. The department shall create MIDocs no later than January 10, 2015. MIDocs shall provide the department with a report proposing the creation of new residency programs and an actionable plan for retaining consortium related students post-residency, especially in underserved communities. From the funds appropriated in part 1, \$500,000.00 is allocated to prepare the report, legally create the consortium, prepare to obtain ACGME accreditation, and develop new residency programs.

Sec. 1874. The department may explore ways to work with private providers to develop fraud management solutions to reduce fraud, waste, and abuse in this state's Medicaid program.

Sec. 1878. In any project negotiated with the federal government for integrated health care of individuals dually enrolled in Medicaid and Medicare, the department shall seek to assure the existence of an ombudsman program that is not associated with any project service manager or provider. For activities to be undertaken by the ombudsman program, the department shall include, but is not limited to, assisting beneficiaries with navigating complaint and dispute resolution mechanisms, identifying problems in the project's complaint and dispute resolution mechanisms, and reporting to the executive and legislative branches on any such problems and potential solutions for them.

Sec. 1879. In any program of integrated service for persons dually enrolled in Medicaid and Medicare that the department negotiates with the federal government, the department shall seek to use the Medicare Part D benefit for prescription drug coverage.

Sec. 1881. The department shall create a default eligibility and enrollment determination for newborns so that newborns are assigned to the same Medicaid health plan as the mother at the time of birth.

Sec. 1883. For the purposes of more effectively managing inpatient care for Medicaid health plans and Medicaid fee-for-service, the department shall consider developing an appropriate policy and rate for observation stays.

Sec. 1886. The department shall work in conjunction with the workgroup established by the department of human services to determine how the state can maximize Medicaid claims for community-based and outpatient treatment services to foster care children and adjudicated youths who are placed in community-based treatment programs. The department shall report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year on the findings of the workgroup.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions under section 1815 for Medicaid health plans at least 3 months in advance of the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 1890. From the funds appropriated in part 1 for pharmaceutical services, the department shall ensure Medicaid recipients access to breast pumps to support and encourage breastfeeding. The department shall adjust Medicaid policy to, at a minimum, provide an individual double electric style pump to a breastfeeding mother when a physician prescribes such a device based on diagnosis of mother or infant. If the distribution method for pumps or other equipment is a department contract with durable medical equipment providers, the department shall guarantee providers stock and rent to Medicaid recipients without delay or undue restriction.

Sec. 1892. The department shall conduct a workgroup jointly with the department of human services, the department of transportation, the department of corrections, the strategic fund in the department of treasury, and members from both the senate and house of representatives to determine if the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidating all of the current transportation services for these populations under 1 department.

Sec. 1893. (1) The department, jointly with the department of human services, shall explore the feasibility of securing federal Medicaid funds for children in need of secure residential treatment in this state. The departments shall include an examination of the public juvenile detention facilities or private secure residential facilities in this state as possible treatment sites.

(2) If the exploration determines that federal Medicaid funds are available for services to this population, the department, jointly with the department of human services, shall develop a plan to provide stabilization services, assessment, and treatment accordingly.

(3) By December 1 of the current fiscal year, the department, jointly with the department of human services, shall provide a progress report to the senate and house subcommittees on community health and the senate and house fiscal agencies outlining all of the following:

(a) The findings of the initial exploration.

(b) A comparison of similar services provided by juvenile rehabilitation centers that receive Medicaid funds in other states, including, but not limited to, the Woodside Juvenile Rehabilitation Center in the State of Vermont, with those provided in public juvenile detention facilities or private secure residential facilities in this state.

(c) Any barriers to securing Medicaid funds for such services in this state.

(d) Recommendations for future action, if any.

Sec. 1896. (1) From the funds appropriated in part 1 and upon the receipt of private matching funds, the department shall allocate up to \$35,000.00 to identify the impact of gestational diabetes and reduce the impact of the condition on the Medicaid program. These steps shall include all of the following:

(a) Reviewing Medicaid claims information and data to determine the average cost of a case of gestational diabetes in comparison to the cost of a noncomplicated pregnancy and the cost of pregnancy for a woman with gestational diabetes.

(b) Determining the percentage and number of pregnant women screened for gestational diabetes per established medical criteria.

(c) Determining the percentage and number of pregnant women diagnosed with gestational diabetes in the Medicaid program each year in comparison to all pregnant women in the Medicaid program.

(2) By September 30 of the current fiscal year, the department shall submit a report to the legislature on steps taken and proposed to increase the screening rate for gestational diabetes in the Medicaid program, to reduce the number of women with undiagnosed gestational diabetes giving birth in the Medicaid program, to increase the number of pregnant women with gestational diabetes receiving appropriate medical care in the Medicaid program, and steps taken to improve the health of unborn and newborn children of women diagnosed with gestational diabetes.

Sec. 1897. (1) From the funds appropriated in part 1, the department shall take steps to identify the performance of the Medicaid program on all diabetes-specific performance measures as measured by the national committee for quality assurance and the utilization review accreditation commission. These steps shall include:

(a) Reviewing Medicaid claims information and data to determine the performance of the Medicaid program's fee for service and managed care plans for diabetes-specific and diabetes-related measures as assessed by the national committee for quality assurance and the utilization review accreditation commission over the past 5 years.

(b) Comparing the claims information and data to the national averages for diabetes-specific and diabetes-related measures as assessed by the national committee for quality assurance and the utilization review accreditation commission over the past 5 years.

(c) Identifying areas of strength and deficiencies for these measures specific to the Medicaid program.

(2) By September 30 of the current fiscal year, the department shall submit a report on steps taken and proposed to improve national committee for quality assurance and utilization review accreditation commission measure scores for all forms of diabetes within the Medicaid program to the legislature.

Sec. 1899. From the funds appropriated in part 1 for personal care services, the department shall increase the personal care services rate by 6% effective October 1 of the current fiscal year.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1902. (1) From the funds appropriated in part 1 for university autism programs, the department shall make the following allocations:

(a) \$1,000,000.00 to the Eastern Michigan University autism center.

(b) \$500,000.00 to the Central Michigan University central assessment lending library.

(c) \$500,000.00 to the Oakland University center for autism research, education, and support.

(d) \$4,000,000.00 to the Western Michigan University autism center of excellence.

(e) \$1,000,000.00 to Michigan State University autism services.

(2) From the funds appropriated in part 1 for autism family assistance services, \$1,500,000.00 shall be allocated to the autism alliance for autism support services designed to aid individuals and families in choosing treatment and other service options.

Sec. 1904. From the funds appropriated in part 1 for the statewide trauma system, the department shall allocate funds to establish and operate statewide systems for trauma, stroke, ST segment elevation myocardial infarction, perinatal, and other time-dependent systems of care.

Sec. 1905. From the funds appropriated in part 1 for bone marrow transplant registry, \$250,000.00 shall be allocated to Michigan Blood, the partner of the match registry of the national marrow donor program. The funds shall be used to offset ongoing tissue typing expenses associated with donor recruitment and collection services and to expand those services to better serve the citizens of this state.

Sec. 1906. (1) The department may initiate pay for success pilot projects to identify and deliver services to improve outcomes and lower costs for government services in this state. From the funds appropriated in part 1 for pay for success contracts, the department may initiate contracts with private and not-for-profit vendors, selected through a competitive bid process, to implement these pilot projects. Payments shall not be issued to funding intermediaries or vendors until contractual performance measures have been achieved and project savings have been confirmed by a third-party evaluator, certified by the department and approved by the state budget director.

(2) Unexpended funds appropriated in part 1 for pay for success contracts are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the pay for success contracts under this section until the projects have been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to coordinate cost-saving projects to the state with public-private partnerships.

(b) The projects will be carried out through contracts with private and not-for-profit vendors.

(c) The estimated cost of this work project is \$1,500,000.00.

(d) The estimated work project completion date is September 30, 2019.

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 2001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

ARTICLE V
DEPARTMENT OF CORRECTIONS

PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2015, from the following funds:

**DEPARTMENT OF CORRECTIONS
APPROPRIATION SUMMARY**

Average population.....	44,997	
Full-time equated unclassified positions	16.0	
Full-time equated classified positions.....	14,179.3	
GROSS APPROPRIATION	\$	2,040,521,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		225,000
ADJUSTED GROSS APPROPRIATION	\$	2,040,296,700
Federal revenues:		
Total federal revenues		5,081,000
Special revenue funds:		
Total local revenues.....		8,547,700
Total private revenues		0
Total other state restricted revenues		45,869,600
State general fund/general purpose	\$	1,980,798,400

Sec. 102. EXECUTIVE

Full-time equated unclassified positions	16.0	
Full-time equated classified positions.....	13.0	
Unclassified positions—16.0 FTE positions.....	\$	1,724,200
Executive direction—13.0 FTE positions		3,115,900
GROSS APPROPRIATION	\$	4,840,100
Appropriated from:		
State general fund/general purpose	\$	4,840,100

Sec. 103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT

Prisoner re-entry local service providers.....	\$	13,708,600
Prisoner re-entry MDOC programs.....		11,124,000
Prisoner re-entry federal grants.....		250,000
Prisoner re-entry legal services.....		149,000
Jail mental health transition pilot program		1,000,000
Public safety initiative		4,500,000
Goodwill flip the script		2,500,000
GROSS APPROPRIATION	\$	33,231,600
Appropriated from:		
Federal revenues:		
DOJ, prisoner reintegration.....		250,000
State general fund/general purpose	\$	32,981,600

Sec. 104. BUDGET AND OPERATIONS ADMINISTRATION

Full-time equated classified positions.....	173.0	
Budget and operations administration—173.0 FTE positions.....	\$	22,193,400
New custody staff training		9,075,800
Compensatory buyout and union leave bank.....		100
Worker's compensation		18,000,000
Rent.....		2,317,800
Equipment and special maintenance		7,359,600
Administrative hearings officers		3,339,700
Judicial data warehouse user fees		50,000
Sheriffs' coordinating and training office		100,000
Prosecutorial and detainer expenses		5,001,000
County jail reimbursement program		14,847,100
GROSS APPROPRIATION	\$	82,284,500
Appropriated from:		
Special revenue funds:		
Jail reimbursement program fund.....		5,900,000
Special equipment fund		5,800,000
Local corrections officer training fund		100,000
Correctional industries revolving fund.....		602,600
State general fund/general purpose	\$	69,881,900

Sec. 105. FIELD OPERATIONS ADMINISTRATION

Full-time equated classified positions.....	1,954.3	
Field operations—1,821.9 FTE positions	\$	198,982,300
Parole board operations—41.0 FTE positions.....		4,829,700
Parole/probation services		940,000
Community re-entry centers—12.4 FTE positions		8,152,800
Electronic monitoring center—56.0 FTE positions.....		13,365,400
Community corrections administration—6.0 FTE positions		763,300
Substance abuse testing and treatment services—17.0 FTE positions.....		21,794,200
Residential services.....		15,475,500
Community corrections comprehensive plans and services.....		12,158,000
Felony drunk driver jail reduction and community treatment program		1,440,100
Interdepartmental grant to the department of human services for swift and sure		1,000,000
GROSS APPROPRIATION	\$	278,901,300
Appropriated from:		
Federal revenues:		
DOJ, office of justice programs, RSAT.....		185,400
Special revenue funds:		
Local - community tether program reimbursement.....		201,300
Re-entry center offender reimbursements		23,900
Parole and probation oversight fees		4,341,500
Parole and probation oversight fees set-aside		1,361,300
Tether program participant contributions		2,432,100
State general fund/general purpose	\$	270,355,800

Sec. 106. CORRECTIONAL FACILITIES ADMINISTRATION

Full-time equated classified positions.....	781.4	
Correctional facilities administration—61.0 FTE positions.....	\$	11,239,800
Prison food service		52,558,900
Transportation—210.0 FTE positions.....		25,073,500
Central records—53.0 FTE positions		5,607,500
Inmate legal services		790,900
Loans to parolees.....		20,000
Housing inmates in federal institutions.....		611,000
Prison store operations—63.0 FTE positions.....		5,657,600
Prison industries operations—123.0 FTE positions.....		12,297,400

		For Fiscal Year Ending Sept. 30, 2015
Federal school lunch program	\$	812,800
Leased beds and alternatives to leased beds		5,250,000
Public works programs		1,000,000
Cost-effective housing initiative		100
Inmate housing fund		100
Education program—271.4 FTE positions		35,305,900
GROSS APPROPRIATION	\$	156,225,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDHS, Maxey/Woodland Center food service		225,000
Federal revenues:		
DAG-FNS, national school lunch		812,800
DED-OESE, title 1		404,900
DED-OVAE, adult education		354,300
DED-OSERS		115,500
DED, vocational education equipment		152,600
DED, youthful offender/Specter grant		202,400
DOJ-BOP, federal prisoner reimbursement		411,000
DOJ, prison rape elimination act grant		660,400
SSA-SSI, incentive payment		268,400
Special revenue funds:		
Correctional industries revolving fund		12,297,400
Public works user fees		1,000,000
Resident stores		5,657,600
State general fund/general purpose	\$	133,663,200

Sec. 107. HEALTH CARE

Full-time equated classified positions	1,468.9	
Health care administration—22.0 FTE positions	\$	3,650,700
Prisoner health care services		75,180,400
Vaccination program		691,200
Interdepartmental grant to human services, eligibility specialists		100,000
Mental health services and support—363.0 FTE positions		58,785,200
Clinical complexes—1,077.9 FTE positions		148,715,800
Healthy Michigan plan administration—6.0 FTE positions		1,079,700
GROSS APPROPRIATION	\$	288,203,000
Appropriated from:		
Federal revenues:		
Federal revenues and reimbursements		248,800
Special revenue funds:		
Prisoner health care copayments		253,200
State general fund/general purpose	\$	287,701,000

Sec. 108. CORRECTIONAL FACILITIES

Average population	44,997	
Full-time equated classified positions	9,788.7	
Alger correctional facility - Munising—261.2 FTE positions	\$	30,934,700
Average population	889	
Baraga correctional facility - Baraga—295.8 FTE positions		34,936,800
Average population	884	
Bellamy Creek correctional facility - Ionia—390.2 FTE positions		43,429,700
Average population	1,850	
Earnest C. Brooks correctional facility - Muskegon—444.7 FTE positions		50,309,500
Average population	2,512	
Carson City correctional facility - Carson City—424.4 FTE positions		47,780,500
Average population	2,440	
Central Michigan correctional facility - St. Louis—391.6 FTE positions		45,888,900
Average population	2,554	

		For Fiscal Year Ending Sept. 30, 2015
Chippewa correctional facility - Kincheloe—435.1 FTE positions.....	\$	49,076,400
Average population.....		2,282
Cooper street correctional facility - Jackson—260.1 FTE positions		29,056,200
Average population.....		1,799
G. Robert Cotton correctional facility - Jackson—392.9 FTE positions.....		43,831,500
Average population.....		1,841
Detroit detention center—63.1 FTE positions.....		8,346,400
Detroit re-entry center—216.2 FTE positions.....		26,149,300
Average population.....		1,044
Charles E. Egeler correctional facility - Jackson—372.7 FTE positions		44,501,900
Average population.....		1,376
Richard A. Handlon correctional facility - Ionia—246.4 FTE positions.....		28,568,700
Average population.....		1,373
Gus Harrison correctional facility - Adrian—444.1 FTE positions		48,846,500
Average population.....		2,342
Ionia correctional facility - Ionia—287.8 FTE positions.....		33,187,000
Average population.....		654
Kinross correctional facility - Kincheloe—323.8 FTE positions.....		37,781,900
Average population.....		1,799
Lakeland correctional facility - Coldwater—275.2 FTE positions.....		32,721,200
Average population.....		1,336
Macomb correctional facility - New Haven—297.0 FTE positions.....		34,500,300
Average population.....		1,376
Marquette branch prison - Marquette—321.7 FTE positions		38,752,600
Average population.....		1,201
Michigan reformatory - Ionia—310.7 FTE positions		34,800,400
Average population.....		1,338
Muskegon correctional facility - Muskegon—202.5 FTE positions		23,557,800
Average population.....		1,338
Newberry correctional facility - Newberry—201.1 FTE positions		23,958,900
Average population.....		978
Oaks correctional facility - Eastlake—291.4 FTE positions		34,097,200
Average population.....		1,156
Ojibway correctional facility - Marenisco—202.1 FTE positions.....		22,871,900
Average population.....		1,090
Parnall correctional facility - Jackson—259.5 FTE positions.....		28,221,900
Average population.....		1,678
Pugsley correctional facility - Kingsley—210.9 FTE positions.....		24,539,700
Average population.....		1,342
Saginaw correctional facility - Freeland—275.9 FTE positions.....		32,623,300
Average population.....		1,480
Special alternative incarceration program (Camp Cassidy Lake)—119.0 FTE positions.....		13,893,700
Average population.....		400
St. Louis correctional facility - St. Louis—310.9 FTE positions		36,662,700
Average population.....		1,226
Thumb correctional facility - Lapeer—284.4 FTE positions		33,115,400
Average population.....		1,219
Womens Huron Valley correctional complex - Ypsilanti—502.9 FTE positions		58,686,800
Average population.....		1,872
Woodland correctional facility - Whitmore Lake—285.4 FTE positions.....		33,110,200
Average population.....		328
Northern region administration and support—47.0 FTE positions		4,299,300
Southern region administration and support—141.0 FTE positions.....		17,568,200
Ionia and Jackson area utilities.....		8,579,600
GROSS APPROPRIATION	\$	1,139,187,000
Appropriated from:		
Federal revenues:		
DOJ, state criminal alien assistance program		1,014,500

		For Fiscal Year Ending Sept. 30, 2015
Special revenue funds:		
Local revenues	\$	8,346,400
State restricted revenues and reimbursements.....		100,000
State general fund/general purpose	\$	1,129,726,100
Sec. 109. INFORMATION TECHNOLOGY		
Information technology services and projects.....	\$	24,562,800
GROSS APPROPRIATION	\$	24,562,800
Appropriated from:		
State general fund/general purpose	\$	24,562,800
Sec. 110. CAPITAL OUTLAY		
Capital outlay - security improvements	\$	6,000,000
GROSS APPROPRIATION	\$	6,000,000
Appropriated from:		
Special revenue funds:		
Special equipment fund		6,000,000
State general fund/general purpose	\$	0
Sec. 111. ONE-TIME APPROPRIATIONS		
Education program - one-time enhancement costs	\$	1,045,300
Field operations - one-time mobilization costs		440,600
Neal, et al. settlement agreement		25,000,000
70 x 7 life recovery - Muskegon pilot.....		600,000
GROSS APPROPRIATION	\$	27,085,900
Appropriated from:		
State general fund/general purpose	\$	27,085,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$2,026,668,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$115,714,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations - assumption of county probation staff.....	\$	60,543,300
Community corrections comprehensive plans and services.....		12,158,000
Community re-entry centers		1,500,000
Residential services.....		15,475,500
County jail reimbursement program		14,847,100
Felony drunk driver jail reduction and community treatment program		1,440,100
Leased beds and alternatives to leased beds		5,250,000
Public safety initiative		4,500,000
TOTAL.....	\$	115,714,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) “Administrative segregation” means confinement for maintenance of order or discipline to a cell or room apart from accommodations provided for inmates who are participating in programs of the facility.

(b) “Cost per prisoner” means the sum total of the funds appropriated under part 1 for the following, divided by the projected prisoner population in fiscal year 2014-2015:

(i) Correctional facilities.

(ii) Northern and southern region administration and support.

(iii) Clinical complexes.

(iv) Prisoner health care services.

(v) Health care administration.

(vi) Vaccination program.

(vii) Prison food service and federal school lunch program.

(viii) Transportation.

(ix) Inmate legal services.

(x) Correctional facilities administration.

(xi) Central records.

(xii) Mental health services and support.

(xiii) Worker’s compensation.

(xiv) New custody staff training.

(xv) Prison store operations.

(xvi) Education program.

(c) “DAG” means the United States department of agriculture.

(d) “DAG-FNS” means the DAG food and nutrition service.

(e) “DED” means the United States department of education.

(f) “DED-OESE” means the DED office of elementary and secondary education.

(g) “DED-OSERS” means the DED office of special education and rehabilitative services.

(h) “DED-OVAE” means the DED office of vocational and adult education.

(i) “Department” or “MDOC” means the Michigan department of corrections.

(j) “DOJ” means the United States department of justice.

(k) “DOJ-BOP” means the DOJ bureau of prisons.

(l) “DOJ-OJP” means the DOJ office of justice programs.

(m) “Evidence-based practices” or “EBP” means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.

(n) “FTE” means full-time equated.

(o) “GED” means general educational development certificate.

(p) “Goal” means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce repeat offending, criminogenic and high-risk behaviors, prison commitment rates, to reduce the length of stay in a jail, or to improve the utilization of a jail.

(q) “GPS” means global positioning system.

(r) “HIV” means human immunodeficiency virus.

(s) “IDG” means interdepartmental grant.

(t) “IDT” means intradepartmental transfer.

(u) “Jail” means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.

(v) “MDCH” means the Michigan department of community health.

(w) “MDHS” means the Michigan department of human services.

(x) “MDSP” means the Michigan department of state police.

(y) “Medicaid benefit” means a benefit paid or payable under a program for medical assistance under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

(z) “Objective risk and needs assessment” means an evaluation of an offender’s criminal history; the offender’s noncriminal history; and any other factors relevant to the risk the offender would present to the public safety, including, but not limited to, having demonstrated a pattern of violent behavior, and a criminal record that indicates a pattern of violent offenses.

(aa) “OCC” means the office of community corrections.

(bb) “Offender eligibility criteria” means particular criminal violations, state felony sentencing guidelines descriptors, and offender characteristics developed by advisory boards and approved by local units of government that identify the offenders suitable for community corrections programs funded through the office of community corrections.

(cc) “Offender success” means that an offender has, with the support of the community, intervention of the field agent, and benefit of any participation in programs and treatment, made an adjustment while at liberty in the community such that he or she has not been sentenced to or returned to prison for the conviction of a new crime or the revocation of probation or parole.

(dd) “Offender target population” means felons or misdemeanants who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not likely increase the risk to the public safety based on an objective risk and needs assessment that indicates that the offender can be safely treated and supervised in the community.

(ee) “Offender who would likely be sentenced to imprisonment” means either of the following:

(i) A felon or misdemeanor who receives a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail, according to historical local sentencing patterns.

(ii) A currently incarcerated felon or misdemeanor who is granted early release from incarceration to a community corrections program or who is granted early release from incarceration as a result of a community corrections program.

(ff) “Programmatic success” means that the department program or initiative has ensured that the offender has accomplished all of the following:

(i) Obtained employment, has enrolled or participated in a program of education or job training, or has investigated all bona fide employment opportunities.

(ii) Obtained housing.

(iii) Obtained a state identification card.

(gg) “Recidivism” means the return of an individual to prison within 3 years after he or she is released either with a new sentence to prison or as a technical violator of parole conditions.

(hh) “RSAT” means residential substance abuse treatment.

(ii) “Serious emotional disturbance” means that term as defined in section 100d(2) of the mental health code, 1974 PA 328, MCL 330.1100d.

(jj) “Serious mental illness” means that term as defined in section 100d(3) of the mental health code, 1974 PA 328, MCL 330.1100d.

(kk) “SSA” means the United States social security administration.

(ll) “SSA-SSI” means SSA supplemental security income.

Sec. 204. (1) It is the intent of the legislature that annual financial savings from the department’s budget appropriation be invested in the following areas: early childhood education, K-12 education, higher education, local law enforcement entities through revenue sharing, and roads.

(2) It is the intent of the legislature that the investments outlined in subsection (1) from savings found in the department’s budget are utilized in order to reduce high crime rates in the state.

Sec. 206. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 207. State employees shall be given the opportunity to competitively bid on services that are or were provided by state employees. If the contract is awarded to any state employee, he or she ceases being an employee of the state.

Sec. 208. The department shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 211. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 212. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, and the senate and house fiscal agencies. This report shall include a detailed accounting of the long-term vacancies that exist within each department. As used in this subsection, "long-term vacancy" means any full-time equated position that has not been filled at any time during the past 24 calendar months.

Sec. 214. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 216. The department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house standing committees on appropriations, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this section shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for special equipment funds shall be considered state restricted revenue. Of this revenue, \$2,000,000.00 shall be used for programming that is a condition of parole, such as violence prevention programming, sexual offender programming, and thinking for a change, with particular emphasis on individuals who are past their earliest release dates. Any remaining balance shall be used for special equipment and security projects. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

(3) The department shall submit a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director by February 1 outlining revenues and expenditures from special equipment funds. The report shall include all of the following:

(a) A list of all individual projects and purchases financed with special equipment funds in the immediately preceding fiscal year; the amounts expended on each project or purchase, and the name of each vendor the products or services were purchased from.

(b) A list of planned projects and purchases to be financed with special equipment funds during the current fiscal year; the amounts to be expended on each project or purchase, and the name of each vendor for which the products or services were purchased.

(c) A review of projects and purchases planned for future fiscal years from special equipment funds.

Sec. 220. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 221. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 223. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 230. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 231. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 232. The department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the legislative corrections ombudsman by October 1 that includes the security levels of all prisoners who were classified as past their earliest release date as of March 1 of the prior fiscal year.

Sec. 238. It is the intent of the legislature that the department make additional efforts to sell, rent, or otherwise repurpose closed correctional facilities.

Sec. 239. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department's central office in Lansing and at both the northern and southern region administration offices.

Sec. 246. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$351,595,400.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$196,513,200.00. Total department appropriations for retiree health care legacy costs are estimated at \$155,082,200.00.

Sec. 247. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures.

(2) By November 1, the department shall report the proposed benchmarks to the senate and house appropriations subcommittees on corrections, to the senate and house fiscal agencies, and to the state budget director.

(3) The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(4) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

EXECUTIVE

Sec. 301. For 3 years after a felony offender is released from the department's jurisdiction, the department shall maintain the offender's file on the offender tracking information system and make it publicly accessible in the same manner as the file of the current offender. However, the department shall immediately remove the offender's file from the offender tracking information system upon determination that the offender was wrongfully convicted and the offender's file is not otherwise required to be maintained on the offender tracking information system.

Sec. 304. The director of the department shall maintain a staff savings initiative program to invite employees to submit suggestions for saving costs for the department.

Sec. 305. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on the number of prisoners who committed suicide during the previous calendar year. To the extent permitted by law, the report shall include all of the following information:

- (a) The prisoner's age, offense, sentence, and admission date.
- (b) Each prisoner's facility and unit.
- (c) A description of the circumstances of the suicide.
- (d) The date of the suicide.
- (e) Whether the suicide occurred in a housing unit, a segregation unit, a mental health unit, or elsewhere on the grounds of the facility.
- (f) Whether the prisoner had been denied parole and the date of any denial.
- (g) Details on the department's responses to each suicide, including immediate on-site responses and subsequent internal investigations.
- (h) A description of any monitoring and psychiatric interventions that had been undertaken prior to the prisoner's suicide, including any changes in placement or mental health care.
- (i) Whether the prisoner had previously attempted suicide.

PRISONER RE-ENTRY AND COMMUNITY SUPPORT

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates concurrent with submission of the executive budget to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. The report shall include explanations of the methodology and assumptions used in developing the projection updates.

Sec. 402. (1) It is the intent of the legislature that the funds appropriated in part 1 for prisoner re-entry programs be expended for the purpose of reducing victimization by reducing repeat offending through the following prisoner re-entry programming:

- (a) The provision of employment or employment services and job training.
- (b) The provision of housing assistance.
- (c) Referral to mental health services.
- (d) Referral to substance abuse services.
- (e) Referral to public health services.
- (f) Referral to education.
- (g) Referral to any other services necessary for successful reintegration.

(2) By March 1, the department shall provide a report on prisoner re-entry expenditures and allocations to the members of the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. At a minimum, the report shall include information on both of the following:

- (a) Details on prior-year expenditures, including amounts spent on each project funded, itemized by service provided and service provider.
- (b) Allocations and planned expenditures for each project funded and for each project to be funded, itemized by service to be provided and service provider. The department shall provide an amended report quarterly, if any revisions to allocations or planned expenditures occurred during that quarter.

Sec. 403. (1) The department shall undertake a request for proposal to institute a LEAN process in determining ways to reduce the backlog for programming for prisoners who are within 6 months of their earliest release date (ERD). The programming that the LEAN process shall prioritize is: Violence Prevention Programming (VPP), Sex Offender Programming (SOP), and Thinking For Change.

(2) The LEAN process shall also look into ways of instituting LEAN principles which may lead to the elimination of the backlog for ERD prisoners from continuing to occur.

(3) Not later than 1 month after completion of a LEAN process evaluation, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, and the senate and house fiscal agencies detailing the outcomes of the LEAN process, the department's progress in achieving the reduction in providing programming, and the department's plan for implementing efficiency standards identified in the LEAN process throughout the department.

Sec. 404. (1) The department may hire additional staff on a temporary basis to assist with instituting LEAN process principles, as identified in section 403. The temporary staff shall be hired to provide programming if the number of prisoners who are past their earliest release date and have not received programming is backlogged more than 50 prisoners in the entire department facility system. The temporary staff shall be retained until the backlog has dropped below 50 prisoners for 2 consecutive months throughout the department facility system.

(2) The role of the temporary staff shall be to provide necessary programming for those individuals who are past their earliest release date.

(3) The financial savings provided through the reduction of past earliest release date prisoners, as identified through the LEAN process undertaken by the department, shall be directed for the use of hiring the additional temporary staff.

Sec. 405. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on substance abuse testing and treatment program objectives, outcome measures, and results, including program impact on offender success and programmatic success as those terms are defined in section 203.

Sec. 406. From the funds appropriated in part 1, the department shall provide an interdepartmental grant to the department of human services to expand the swift and sure sanctions program through Michigan rehabilitative services. The department shall allocate not less than \$1,000,000.00 for the purpose described in this section and shall establish an interagency agreement with the department of human services and judicial branch to carry out this purpose. These funds shall be used to contract with accredited, community-based rehabilitation organizations for job placement and other support services and to assist individuals who have a history of probation and parole violations, who have exceptional mental health needs, and who meet the profile of the current customer base of Michigan rehabilitative services and shall not be used for individuals who are currently incarcerated.

Sec. 407. (1) By June 30, the department shall place the statistical report from the immediately preceding calendar year on an Internet site. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

(2) It is the intent of the legislature that starting with calendar year 2010, the statistical report be placed on an Internet site within 6 months after the end of each calendar year.

Sec. 408. The department shall measure the recidivism rates of offenders.

Sec. 409. (1) The department shall engage with state agencies and local entities to coordinate services and shall use appropriations provided in part 1 for re-entry and vocational education programs designed through collaboration with Michigan's workforce development system. The department shall ensure that the collaboration provides relevant professional development opportunities to prisoners to ensure that the programs are high quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside after their release from correctional facilities. The programs shall begin upon the intake of the prisoner into a department facility.

(2) It is the intent of the legislature that the workforce development programming continue through the entire duration of the prisoner's incarceration to encourage employment upon release.

(3) By March 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, and the senate and house fiscal agencies detailing the results of the workforce development program.

Sec. 410. (1) The funds included in part 1 for community corrections comprehensive plans and services are to encourage the development through technical assistance grants, implementation, and operation of community corrections programs that enhance offender success and that also may serve as an alternative to incarceration in a state facility or

jail. The comprehensive corrections plans shall include an explanation of how the public safety will be maintained, the goals for the local jurisdiction, offender target populations intended to be affected, offender eligibility criteria for purposes outlined in the plan, and how the plans will meet the following objectives, consistent with section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

(a) Reduce admissions to prison of offenders who would likely be sentenced to imprisonment, including probation violators.

(b) Improve the appropriate utilization of jail facilities, the first priority of which is to open jail beds intended to house otherwise prison-bound felons, and the second priority being to appropriately utilize jail beds so that jail crowding does not occur.

(c) Open jail beds through the increase of pretrial release options.

(d) Reduce the readmission to prison of parole violators.

(e) Reduce the admission or readmission to prison of offenders, including probation violators and parole violators, for substance abuse violations.

(f) Contribute to offender success, as that term is defined in section 203.

(2) The award of community corrections comprehensive plans and residential services funds shall be based on criteria that include, but are not limited to, the prison commitment rate by category of offenders, trends in prison commitment rates and jail utilization, historical trends in community corrections program capacity and program utilization, and the projected impact and outcome of annual policies and procedures of programs on offender success, prison commitment rates, and jail utilization.

(3) Funds awarded for residential services in part 1 shall provide for a per diem reimbursement of not more than \$47.50 for nonaccredited facilities, or of not more than \$48.50 for facilities that have been accredited by the American corrections association or a similar organization as approved by the department.

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, that contribute to the success of offenders. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDCH for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

Sec. 412. (1) As part of the March biannual report specified in section 12(2) of the community corrections act, 1988 PA 511, MCL 791.412, that requires an analysis of the impact of that act on prison admissions and jail utilization, the department shall submit to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director the following information for each county and counties consolidated for comprehensive corrections plans:

(a) Approved technical assistance grants and comprehensive corrections plans including each program and level of funding, the utilization level of each program, and profile information of enrolled offenders.

(b) If federal funds are made available, the number of participants funded, the number served, the number successfully completing the program, and a summary of the program activity.

(c) Status of the community corrections information system and the jail population information system.

(d) Data on residential services, including participant data, participant sentencing guideline scores, program expenditures, average length of stay, and bed utilization data.

(e) Offender disposition data by sentencing guideline range, by disposition type, by prior record variable score, by number and percent statewide and by county, current year, and comparisons to the previous 3 years.

(f) Data on the use of funding made available under the felony drunk driver jail reduction and community treatment program.

(2) The report required under subsection (1) shall include the total funding allocated, program expenditures, required program data, and year-to-date totals.

Sec. 413. (1) The department shall identify and coordinate information regarding the availability of and the demand for community corrections programs, jail-based community corrections programs, jail-based probation violation sanctions, and all state-required jail data.

(2) The department is responsible for the collection, analysis, and reporting of all state-required jail data.

(3) As a prerequisite to participation in the programs and services offered through the department, counties shall provide necessary jail data to the department.

Sec. 414. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons who otherwise would have been sentenced to prison.

(2) The county jail reimbursement program shall reimburse counties for convicted felons in the custody of the sheriff if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H or a nonperson crime in crime class F under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(b) The felon's minimum sentencing guidelines range minimum is more than 12 months under the sentencing guidelines described in subdivision (a).

(c) The felon was sentenced to jail for a felony committed while he or she was on parole and under the jurisdiction of the parole board and for which the sentencing guidelines recommended range for the minimum sentence has an upper limit of more than 18 months.

(3) State reimbursement under this subsection shall be \$60.00 per diem per diverted offender for offenders with a presumptive prison guideline score, \$50.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 1 crime, and \$35.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 2 crime. Reimbursements shall be paid for sentences up to a 1-year total.

(4) As used in this subsection:

(a) "Group 1 crime" means a crime in 1 or more of the following offense categories: arson, assault, assaultive other, burglary, criminal sexual conduct, homicide or resulting in death, other sex offenses, robbery, and weapon possession as determined by the department of corrections based on specific crimes for which counties received reimbursement under the county jail reimbursement program in fiscal year 2007 and fiscal year 2008, and listed in the county jail reimbursement program document titled "FY 2007 and FY 2008 Group One Crimes Reimbursed", dated March 31, 2009.

(b) "Group 2 crime" means a crime that is not a group 1 crime, including larceny, fraud, forgery, embezzlement, motor vehicle, malicious destruction of property, controlled substance offense, felony drunk driving, and other nonassaultive offenses.

(c) "In the custody of the sheriff" means that the convicted felon has been sentenced to the county jail and is either housed in the county jail or has been released from jail and is being monitored through the use of the sheriff's electronic monitoring system.

(5) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. By October 15, the department shall distribute the documentation requirements to all counties.

Sec. 416. Allowable uses of felony drunk driver jail reduction and community treatment program funding shall include reimbursing counties for transportation, treatment costs, and housing felony drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

Sec. 417. (1) By March 1, the department shall report to the members of the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on each of the following programs from the previous fiscal year:

(a) The county jail reimbursement program.

(b) The felony drunk driver jail reduction and community treatment program.

(c) Any new initiatives to control prison population growth funded or proposed to be funded under part 1.

(2) For each program listed under subsection (1), the report shall include information on each of the following:

(a) Program objectives and outcome measures, including, but not limited to, the number of offenders who successfully completed the program, and the number of offenders who successfully remained in the community during the 3 years following termination from the program.

- (b) Expenditures by location.
- (c) The impact on jail utilization.
- (d) The impact on prison admissions.
- (e) Other information relevant to an evaluation of the program.

Sec. 418. (1) The department shall collaborate with the state court administrative office on facilitating changes to Michigan court rules that would require the court to collect at the time of sentencing the state operator's license, state identification card, or other documentation used to establish the identity of the individual to be admitted to the department. The department shall maintain those documents in the prisoner's personal file.

(2) The department shall cooperate with MDCH to create and maintain a process by which prisoners can obtain their Michigan birth certificates if necessary. The department shall describe a process for obtaining birth certificates from other states, and in situations where the prisoner's effort fails, the department shall assist in obtaining the birth certificate.

(3) The department shall collaborate with the department of military and veterans affairs to create and maintain a process by which prisoners can obtain a copy of their DD Form 214 or other military discharge documentation if necessary.

Sec. 419. (1) The department shall provide weekly electronic mail reports to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on prisoner, parolee, and probationer populations by facility, and prison capacities.

(2) The department shall provide monthly electronic mail reports to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. The reports shall include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

- (a) Community residential program populations, separated by centers and electronic monitoring.
- (b) Parole populations.
- (c) Probation populations, with identification of the number in special alternative incarceration.
- (d) Prison and camp populations, with separate identification of the number in special alternative incarceration and the number of lifers.
- (e) Parole board activity, including the numbers and percentages of parole grants and parole denials.
- (f) Prisoner exits, identifying transfers to community placement, paroles from prisons and camps, paroles from community placement, total movements to parole, prison intake, prisoner deaths, prisoners discharging on the maximum sentence, and other prisoner exits.
- (g) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new sentences, total prison intake, returns from court with additional sentences, community placement returns, technical parole violator returns, and total returns to prison and camp.

Sec. 420. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house judiciary committees, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on performance data and efforts to improve efficiencies relative to departmental staffing, health care services, food service, prisoner transportation, mental health care services, and pharmaceutical costs.

Sec. 421. From the funds appropriated in part 1 for jail mental health transition pilot program, \$1,000,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 431. Upon offender request, the department shall ensure that prior to release from prison, each offender has possession of a set of clothing that would be appropriate and suitable for wearing to an interview for employment.

Sec. 434. The department shall explore opportunities to collaborate with Michigan colleges and universities on establishing programs that will employ parolees in agricultural settings.

Sec. 435. (1) From the funds appropriated in part 1 for prisoner re-entry legal services, the department shall contract with the legal aid of western Michigan office in Kent County and the legal aid and defender office in Oakland County to establish 2 pilot projects. The purpose of the pilot projects is to provide outreach, education, and legal representation to former offenders in areas such as employment, housing, income stability, and child custody and other domestic matters.

(2) The legal aid and defender office in Oakland County shall provide prisoner re-entry legal services to former offenders in Wayne County.

(3) The department, in collaboration with legal aid of western Michigan and the legal aid and defender office, shall submit a report by April 1 that documents the number of new cases accepted, the types of cases, and case outcomes for completed work. The report shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director.

(4) Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

Sec. 436. (1) The department shall establish a workgroup with representatives from the Genesee County sheriff's office, the city of Flint police department, and other relevant governmental agencies in Genesee County to develop and implement a long-term strategic plan to ease the county jail backlog and to gradually reduce the need for department intervention.

(2) The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director by September 30 strategic recommendations that result from the work of the workgroup.

Sec. 437. (1) Funds appropriated in part 1 for Goodwill flip the script shall be distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county with greater than 1,500,000 people for administration and expansion of a program which serves a population of persons aged 16-29. The expansion of the program shall be operational by November 1. The existing program to be expanded shall target those who are entering the criminal justice system for the first or second time and shall assist those individuals through the following program types:

- (a) Alternative sentencing programs in partnership with a local district or circuit court.
- (b) Educational recovery for special adult populations with high rates of illiteracy.
- (c) Career development and continuing education for women.

(2) The program selected shall report by March 30 to the department, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director. The report shall include program performance measurements, the number of individuals diverted from incarceration, the number of individuals served, and outcomes of participants who complete the program.

BUDGET AND OPERATIONS ADMINISTRATION

Sec. 501. From the funds appropriated in part 1 for prosecutorial and detainer expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 502. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 504. (1) The department shall conduct a workgroup in conjunction with the department of community health, the state transportation department, the department of human services, the strategic fund in the department of treasury, and members from both the senate and house of representatives to determine if the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidating all of the current transportation services for these populations under 1 department.

(2) The department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, by March 1, a report on the findings of the workgroup on the items described in subsection (1).

Sec. 505. The department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

Sec. 508. (1) The department shall analyze the structural integrity and overall facility quality of each of the correctional facilities it owns or operates.

(2) The department shall issue a report for all correctional facilities to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the legislative corrections ombudsman by October 1 setting forth the following information for each facility: its name, street address, and date of construction; its current maintenance costs; any maintenance planned; its current utility costs; its expected future capital improvement costs; and its expected future useful life.

Sec. 509. (1) The department shall conduct a study on the Michigan state industries program. The study shall focus on determining which industries have the maximum benefit to the prisoner population in providing marketable skills and leading to employable outcomes after release of the prisoner from a department facility. The report shall also include data on the current operations of Michigan state industries including: a list of and the number of products sold, the operating budget, the location of all Michigan state industries facilities, the number of prisoners working through Michigan state industries, and purchasers of products. Data in the report shall be data from the preceding fiscal year.

(2) By December 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the legislative corrections ombudsman detailing the results and recommendations from the study on Michigan state industries described in subsection (1).

Sec. 510. The department, in collaboration with the department of community health, shall establish an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified. By October 1, the department shall provide the state budget office and the senate and house fiscal agencies with the relevant accounting structure and associated business objects script and report that group's administrative costs.

Sec. 511. (1) By February 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director which details the strategic plan of the department. The report shall contain strategies to decrease the overall recidivism rate, measurable plans to increase the rehabilitative function of correctional facilities, metrics to track and ensure prisoner readiness to re-enter society, and constructive actions for providing prisoners with life skills development.

(2) The intent of this report is to express that the mission of the department is to provide an action plan before re-entry to society that ensures prisoners' readiness for meeting parole requirements and ensures a reduction in the total number of released inmates who re-enter the criminal justice system.

FIELD OPERATIONS ADMINISTRATION

Sec. 601. (1) From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The complete audit shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget office by March 1.

(2) It is the intent of the legislature that the department maintain a number of field agents sufficient to meet supervision and workload standards.

Sec. 603. (1) All prisoners, probationers, and parolees involved with the electronic tether program shall reimburse the department for costs associated with their participation in the program. The department may require community service work reimbursement as a means of payment for those able-bodied individuals unable to pay for the costs of the equipment.

(2) Program participant contributions and local community tether program reimbursement for the electronic tether program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

(3) Included in the appropriation in part 1 is adequate funding to implement the community tether program to be administered by the department. The community tether program is intended to provide sentencing judges and county sheriffs in coordination with local community corrections advisory boards access to the state's electronic tether program to reduce prison admissions and improve local jail utilization. The department shall determine the appropriate distribution of the tether units throughout the state based upon locally developed comprehensive corrections plans under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(4) For a fee determined by the department, the department shall provide counties with the tether equipment, replacement parts, administrative oversight of the equipment's operation, notification of violators, and periodic reports regarding county program participants. Counties are responsible for tether equipment installation and service. For an additional fee as determined by the department, the department shall provide staff to install and service the equipment. Counties are responsible for the coordination and apprehension of program violators.

(5) Any county with tether charges outstanding over 60 days shall be considered in violation of the community tether program agreement and lose access to the program.

Sec. 608. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on the use of electronic monitoring. At a minimum, the report shall include all of the following:

(a) Details on the failure rate of parolees for whom GPS tether is utilized, including the number and rate of parolee technical violations, including specifying failures due to committing a new crime that is uncharged but leads to parole termination, and the number and rate of parolee violators with new sentences.

(b) Information on the factors considered in determining whether an offender is placed on active GPS tether, passive GPS tether, radio frequency tether, or some combination of these or other types of electronic monitoring.

(c) Monthly data on the number of offenders on active GPS tether, passive GPS tether, radio frequency tether, and any other type of tether.

Sec. 611. The department shall prepare by March 1 individual reports for the community re-entry program, the electronic tether program, and the special alternative to incarceration program. The reports shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. Each program's report shall include information on all of the following:

(a) Monthly new participants by type of offender. Community re-entry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(b) Monthly participant unsuccessful terminations, including cause.

(c) Number of successful terminations.

(d) End month population by facility/program.

(e) Average length of placement.

(f) Return to prison statistics.

(g) Description of each program location or locations, capacity, and staffing.

(h) Sentencing guideline scores and actual sentence statistics for participants, if applicable.

(i) Comparison with prior year statistics.

(j) Analysis of the impact on prison admissions and jail utilization and the cost effectiveness of the program.

Sec. 612. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) To the extent policies or programs described in subsection (1) are used, developed, or contracted for, the department may request that funds appropriated in part 1 be transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for their operation.

(3) The department shall continue to utilize parole violator processing guidelines that require parole agents to utilize all available appropriate community-based, nonincarcerative postrelease sanctions and services when appropriate. The department shall periodically evaluate such guidelines for modification, in response to emerging information from the demonstration projects for substance abuse treatment provided under this part and applicable provisions of prior budget acts for the department.

(4) The department shall provide annual reports to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding calendar quarter. The reports shall include the following information each for probationers, parolees after their first parole, and parolees who have been paroled more than once:

(a) The numbers of parole and probation violators returned to or sent to prison for a new crime with a comparison of original versus new offenses by major offense type: assaultive, nonassaultive, drug, and sex.

(b) The numbers of parole and probation violators returned to or sent to prison for a technical violation and the type of violation, including, but not limited to, zero gun tolerance and substance abuse violations. For parole technical rule violators, the report shall list violations by type, by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(c) The educational history of those offenders, including how many had a GED or high school diploma prior to incarceration in prison, how many received a GED while in prison, and how many received a vocational certificate while in prison.

(d) The number of offenders who participated in the re-entry program versus the number of those who did not.

(e) The unduplicated number of offenders who participated in substance abuse treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

Sec. 615. The department shall submit a report containing a list detailing the number of prisoners who have received life imprisonment sentences with the possibility of parole and who are currently eligible for parole to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director by January 1.

HEALTH CARE

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director with all of the following:

(a) Quarterly reports on physical and mental health care detailing quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

(b) Regular updates on progress on requests for proposals and requests for information pertaining to prisoner health care and mental health care, until the applicable contract is approved.

Sec. 803. (1) The department shall establish a standard medical release form for all prisoners by October 1.

(2) The department shall assure that all prisoners, upon any health care treatment, are given the opportunity to sign a release of information form designating a family member or other individual to whom the department shall release records information regarding a prisoner. A release of information form signed by a prisoner shall remain in effect for 1 year, and the prisoner may elect to withdraw or amend the release form at any time.

(3) The department shall assure that any such signed release forms follow a prisoner upon transfer to another department facility or to the supervision of a parole officer.

(4) The form shall be placed on an online, public website managed by the department.

Sec. 804. (1) The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on prisoner health care utilization. The report shall include the number of inpatient hospital days, outpatient visits, and emergency room visits in the previous quarter, by facility.

(2) By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on prisoners receiving off-site inpatient medical care that would have received care in a state correctional facility if beds were available. The report shall include the number of prisoners receiving off-site inpatient medical care and average length of stay in an off-site facility during the period they would have received care in a state correctional facility if beds were available, by month and correctional facilities.

Sec. 805. If a prisoner aged 26 years or under is determined not to be eligible for Medicaid, the department shall determine whether the prisoner is eligible for dependent health insurance coverage.

Sec. 812. (1) The department shall provide the department of human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of human services shall enter into an interagency agreement under which the department of human services provides the department of corrections with monthly lists of newly committed prisoners who are eligible for Medicaid benefits in order to maintain the process by which Medicaid benefits are suspended rather than terminated. The department shall assist prisoners who may be eligible for Medicaid benefits after release from prison with the Medicaid enrollment process prior to release from prison.

(2) The department shall provide the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director with quarterly updates on the utilization of Medicaid benefits for prisoners.

Sec. 814. The department shall assure that psychotropic medications are available, when deemed medically necessary by a licensed medical service provider, to prisoners who have mental illness diagnoses but are not enrolled in corrections mental health services.

Sec. 816. By April 1, the department shall provide the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the state budget director, and the legislative corrections ombudsman with a report on pharmaceutical expenditures and prescribing practices. In particular, the report shall provide the following information:

- (a) A detailed accounting of expenditures on antipsychotic medications.
- (b) Any changes that have been made to the prescription drug formularies.

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 904. The department shall calculate the per prisoner/per day cost for each prisoner security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year, including, but not limited to, the value of services provided to the department by other state agencies and the allocation of statewide legacy costs. To calculate the per prisoner/per day costs, the department shall divide these direct and indirect costs by the average daily population for each custody level. For multilevel facilities, the indirect costs that cannot be accurately allocated to each custody level can be included in the calculation on a per-prisoner basis for each facility. A report summarizing these calculations and the direct and indirect costs included in them shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director not later than December 15.

Sec. 906. Any local unit of government or private nonprofit organization that contracts with the department for public works services shall be responsible for financing the entire cost of such an agreement.

Sec. 907. The department shall report by March 1 to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on academic and vocational programs. The report shall provide information relevant to an assessment of the department's academic and vocational programs, including, but not limited to, all of the following:

- (a) The number of instructors and the number of instructor vacancies, by program and facility.
- (b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who fail each program, the number of prisoners who do not complete each program and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and the reason for transfer, the number of prisoners enrolled who are repeating the program by reason, and the number of prisoners on waiting lists for each program, all itemized by facility.
- (c) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.
- (d) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a GED.
- (e) An explanation of the value and purpose of each program, for example, to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.
- (f) An identification of program outcomes for each academic and vocational program.
- (g) An explanation of the department's plans for academic and vocational programs, including plans to contract with intermediate school districts for GED and high school diploma programs.
- (h) The number of prisoners not paroled at their earliest release date due to lack of a GED, and the reason those prisoners have not obtained a GED.

Sec. 910. The department shall allow the Michigan Braille transcribing fund program to operate at its current location. The donation of the building by the Michigan Braille transcribing fund at the G. Robert Cotton correctional facility in Jackson is acknowledged and appreciated. The department shall continue to encourage the Michigan Braille transcribing fund program to produce high-quality materials for use by the visually impaired.

Sec. 911. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director the number of critical incidents occurring each month by type and the number and severity of assaults and escape attempts occurring each month at each facility during the immediately preceding calendar year.

Sec. 912. The department shall report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director by March 1 on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Sec. 913. (1) It is the intent of the legislature that any prisoner required to complete a violence prevention program, sexual offender program, or other program as a condition of parole shall be transferred to a facility where that program is available in order to accomplish timely completion of that program prior to the expiration of his or her minimum sentence and eligibility for parole. Nothing in this section should be deemed to make parole denial appealable in court.

(2) The department shall submit a quarterly report to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the state budget director, and the legislative corrections ombudsman detailing enrollment in sex offender programming, assaultive offender programming, violent offender programming, and thinking for change. At a minimum, the report shall include the following:

(a) A full accounting of the number of individuals who are required to complete the programming, but have not yet done so.

(b) The number of individuals who have reached their earliest release date, but who have not completed required programming.

(c) A plan of action for addressing any waiting lists or backlogs for programming that may exist.

Sec. 915. The department shall explore opportunities to collaborate with Michigan universities on establishing programs that will allow graduate students to work in correctional facilities to teach programming that is a condition of parole. The intent of the legislature is that graduate students teaching in correctional facilities will result in a cost savings for the department and will reduce the number of individuals who are past their earliest release dates due to the inability to obtain programming.

Sec. 924. The department shall evaluate all prisoners at intake for substance abuse disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders shall not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners with serious mental illness or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 925. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director on the annual number of prisoners in administrative segregation between October 1, 2012 and September 30, 2014, and the annual number of prisoners in administrative segregation between October 1, 2012 and September 30, 2014 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

Sec. 929. From the funds appropriated in part 1, the department shall do all of the following:

(a) Ensure that any inmate care and control staff in contact with prisoners less than 18 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 18 years of age. By April 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the training curriculum used and the number and types of staff receiving annual training under that curriculum.

(b) Provide appropriate placement for prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder and need to be housed separately from the general population. Prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder shall not be removed from an existing placement as a punitive response to behavior caused by their serious mental illness, serious emotional disturbance, or a serious developmental disorder. Due to persistent high

violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners less than 18 years of age with serious emotional disturbance, serious mental illness, or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner less than 18 years of age with serious mental illness, serious emotional disturbance, or a serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

(c) Implement a specialized re-entry program that recognizes the needs of prisoners less than 18 years old for supervised re-entry.

Sec. 937. The department shall not issue a request for proposal (RFP) for a contract in excess of \$5,000,000.00, unless the department has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department to learn more about the market for the products or services that are the subject of the future RFP. The department shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

Sec. 938. By January 1, the department, in consultation with the departments of technology, management, and budget and community health, shall issue a request for information for a contract to provide beds in a skilled nursing facility for the placement of geriatric and medically fragile inmates, such that those inmates are eligible for Medicaid reimbursement.

Sec. 940. (1) Any lease, rental, contract, or other legal agreement that includes a provision allowing a private person or entity to use state-owned facilities or other property to conduct a for-profit business enterprise shall require the lessee to pay fair market value for the use of the state-owned property.

(2) The lease, rental, contract, or other legal agreement shall also require the party using the property to make a payment in lieu of taxes to the local jurisdictions that would otherwise receive property tax revenue, as if the property were not owned by the state.

Sec. 942. The department shall ensure that any contract with a public or private party to operate a facility to house state prisoners includes a provision to allow access by both the office of the legislative auditor general and the office of the legislative corrections ombudsman to the facility and to appropriate records and documents related to the operation of the facility. These access rights for both offices shall be the same for the contracted facility as for a general state-operated correctional facility.

MISCELLANEOUS

Sec. 1009. The department shall make an information packet for the families of incoming prisoners available on the department's website. The information packet shall be updated by February 1 of each year thereafter. The packet shall provide information on topics including, but not limited to: how to put money into prisoner accounts, how to make phone calls or create Jpay email accounts, how to visit in person, proper procedures for filing complaints or grievances, the rights of prisoners to physical and mental health care, how to utilize the offender tracking information system (OTIS), truth-in-sentencing and how it applies to minimum sentences, the parole process, and guidance on the importance of the role of families in the reentry process. The department is encouraged to partner with external advocacy groups and actual families of prisoners in the packet-writing process to ensure that the information is useful and complete.

Sec. 1011. The department shall accept in-kind services and equipment donations to facilitate the addition of a cable network that provides programming that will address the religious needs of incarcerated individuals. This network shall be a cable television network that presently reaches the majority of households in the United States. A bilingual channel affiliated with this network may also be added to department programming to assist the religious needs of Spanish-speaking inmates. The addition of these channels shall be of no additional cost to this state.

CAPITAL OUTLAY

Sec. 1051. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

ARTICLE VI
DEPARTMENT OF EDUCATION

PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2015, from the following funds:

**DEPARTMENT OF EDUCATION
APPROPRIATION SUMMARY**

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	600.5	
GROSS APPROPRIATION		\$ 287,096,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION		\$ 287,096,100
Federal revenues:		
Total federal revenues		189,473,500
Special revenue funds:		
Total local revenues		5,633,700
Total private revenues		1,933,300
Total other state restricted revenues		7,972,600
State general fund/general purpose		\$ 82,083,000

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	11.0	
State board of education, per diem payments		\$ 24,400
Unclassified positions—6.0 FTE positions		795,100
State board/superintendent operations—11.0 FTE positions		2,110,000
GROSS APPROPRIATION		\$ 2,929,500
Appropriated from:		
Federal revenues:		
Federal revenues		222,400
Special revenue funds:		
Private foundations		28,100
Certification fees		861,100
State general fund/general purpose		\$ 1,817,900

Sec. 103. CENTRAL SUPPORT

Full-time equated classified positions	23.6	
Central support operations—23.6 FTE positions		\$ 3,623,400
Worker's compensation		30,800
Building occupancy charges - property management services		3,053,700

		For Fiscal Year Ending Sept. 30, 2015
Training and orientation workshops.....	\$	150,000
Terminal leave payments		554,700
GROSS APPROPRIATION	\$	7,412,600
Appropriated from:		
Federal revenues:		
Federal revenues		1,641,400
Federal indirect funds		2,550,400
Special revenue funds:		
Certification fees		403,200
Teacher testing fees		3,800
Training and orientation workshop fees		150,000
State general fund/general purpose	\$	2,663,800
Sec. 104. INFORMATION TECHNOLOGY SERVICES		
Information technology operations.....	\$	4,192,200
GROSS APPROPRIATION	\$	4,192,200
Appropriated from:		
Federal revenues:		
Federal revenues		605,800
Federal indirect funds		1,789,800
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		76,500
Certification fees		390,400
State general fund/general purpose	\$	1,329,700
Sec. 105. SPECIAL EDUCATION SERVICES		
Full-time equated classified positions.....	47.0	
Special education operations—47.0 FTE positions.....	\$	8,937,300
GROSS APPROPRIATION	\$	8,937,300
Appropriated from:		
Federal revenues:		
Federal revenues		8,457,300
Special revenue funds:		
Private foundations		110,100
Certification fees		44,100
State general fund/general purpose	\$	325,800
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
Full-time equated classified positions.....	77.0	
Michigan schools for the deaf and blind operations—76.0 FTE positions	\$	12,664,500
Camp Tuhsmeheeta—1.0 FTE position		295,100
Private gifts - blind		200,000
Private gifts - deaf.....		50,000
GROSS APPROPRIATION	\$	13,209,600
Appropriated from:		
Federal revenues:		
Federal revenues		6,900,400
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		5,233,000
Local school district service fees		312,500
Gifts, bequests, and donations		545,100
Student insurance revenue		218,600
State general fund/general purpose	\$	0
Sec. 107. PROFESSIONAL PREPARATION SERVICES		
Full-time equated classified positions.....	34.0	
Professional preparation operations—34.0 FTE positions.....	\$	5,896,800
Department of attorney general		66,000
GROSS APPROPRIATION	\$	5,962,800

Appropriated from:	
Federal revenues:	
Federal revenues	\$ 1,444,800
Special revenue funds:	
Certification fees	3,882,700
Teacher college review fees	55,300
Teacher testing fees	359,300
State general fund/general purpose	\$ 220,700

Sec. 108. MICHIGAN OFFICE OF GREAT START

Full-time equated classified positions	65.0
Office of great start operations—64.0 FTE positions	\$ 22,830,300
Child development and care external support	17,766,500
Head start collaboration office—1.0 FTE position	307,700
Child development and care public assistance	110,292,000
GROSS APPROPRIATION	\$ 151,196,500

Appropriated from:	
Federal revenues:	
Federal revenues	110,264,600
Special revenue funds:	
Private foundations	250,000
Certification fees	64,200
State general fund/general purpose	\$ 40,617,700

Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES

Full-time equated classified positions	11.5
State aid and school finance operations—9.5 FTE positions	\$ 1,361,500
Financial independence team operations—2.0 FTE positions	500,000
GROSS APPROPRIATION	\$ 1,861,500

Appropriated from:	
State general fund/general purpose	\$ 1,861,500

Sec. 110. AUDIT SERVICES

Full-time equated classified positions	4.5
Audit operations—4.5 FTE positions	\$ 602,200
GROSS APPROPRIATION	\$ 602,200

Appropriated from:	
Federal revenues:	
Federal indirect funds	478,700
Special revenue funds:	
Certification fees	61,200
State general fund/general purpose	\$ 62,300

Sec. 111. ADMINISTRATIVE LAW SERVICES

Full-time equated classified positions	2.0
Administrative law operations—2.0 FTE positions	\$ 1,310,700
GROSS APPROPRIATION	\$ 1,310,700

Appropriated from:	
Federal revenues:	
Federal revenues	551,600
Special revenue funds:	
Certification fees	686,000
State general fund/general purpose	\$ 73,100

Sec. 112. ACCOUNTABILITY SERVICES

Full-time equated classified positions	65.6
Accountability services operations—65.6 FTE positions	\$ 14,637,700
GROSS APPROPRIATION	\$ 14,637,700

Appropriated from:	
Federal revenues:	
Federal revenues	13,460,700
State general fund/general purpose	\$ 1,177,000

Sec. 113. SCHOOL SUPPORT SERVICES

Full-time equated classified positions.....	82.6		
School support services operations—82.6 FTE positions		\$	15,111,700
Federal and private grants.....			3,000,000
GROSS APPROPRIATION		\$	18,111,700
Appropriated from:			
Federal revenues:			
Federal revenues.....			16,263,600
Special revenue funds:			
Local school district service fees			11,700
Private foundations			1,000,000
Certification fees.....			85,700
Commodity distribution fees			71,700
State general fund/general purpose		\$	679,000

Sec. 114. FIELD SERVICES

Full-time equated classified positions.....	45.0		
Field services operations—45.0 FTE positions.....		\$	9,194,500
GROSS APPROPRIATION		\$	9,194,500
Appropriated from:			
Federal revenues:			
Federal revenues.....			8,894,300
Special revenue funds:			
Certification fees.....			77,200
State general fund/general purpose		\$	223,000

Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES

Full-time equated classified positions.....	63.7		
Educational improvement and innovation operations—63.7 FTE positions.....		\$	9,382,500
Educator evaluations and assessments phase-in operations			3,414,000
GROSS APPROPRIATION		\$	12,796,500
Appropriated from:			
Federal revenues:			
Federal revenues.....			6,514,500
Special revenue funds:			
Certification fees.....			558,100
State general fund/general purpose		\$	5,723,900

Sec. 116. CAREER AND TECHNICAL EDUCATION

Full-time equated classified positions.....	27.0		
Career and technical education operations—27.0 FTE positions		\$	4,758,300
GROSS APPROPRIATION		\$	4,758,300
Appropriated from:			
Federal revenues:			
Federal revenues.....			3,826,200
State general fund/general purpose		\$	932,100

Sec. 117. LIBRARY OF MICHIGAN

Full-time equated classified positions.....	33.0		
Library of Michigan operations—32.0 FTE positions.....		\$	4,419,700
Library services and technology program—1.0 FTE position.....			5,607,000
State aid to libraries			8,876,000
Michigan eLibrary			1,750,000
Renaissance zone reimbursements.....			4,700,000
MPERS payments to libraries.....			2,200,000
GROSS APPROPRIATION		\$	27,552,700
Appropriated from:			
Federal revenues:			
IMLS, library services and technology act.....			5,607,000
State general fund/general purpose		\$	21,945,700

Sec. 118. SCHOOL REFORM OFFICE

Full-time equated classified positions.....	8.0	
School reform office operations—8.0 FTE positions.....		\$ 2,429,800
GROSS APPROPRIATION.....		\$ 2,429,800
Appropriated from:		
State general fund/general purpose.....		\$ 2,429,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2015 is \$90,055,600.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2015 is \$15,776,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries	\$ 8,876,000
Renaissance zone reimbursements.....	4,700,000
MPSERS payments to libraries.....	2,200,000
Total department of education	\$ 15,776,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "Department" means the Michigan department of education.
- (b) "District" means a local school district as defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (c) "FTE" means full-time equated.
- (d) "IMLS" means institute of museum and library services.
- (e) "Participating entity" means a district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.
- (f) "Retirement board" means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.
- (g) As used in this part and part 1, "retirement system" and "MPERS" mean the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 204. The state superintendent of public instruction shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 205. The departments and agencies shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 206. The department shall provide through the Internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the Internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 207. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 208. The department shall require all districts and intermediate school districts to maintain complete records within the personnel file of a teacher or school employee of any disciplinary actions taken by the governing board against the teacher or employee for sexual misconduct. The records shall not be destroyed or removed from the teacher's or employee's personnel file except as required by a court order.

Sec. 211. To the extent the state continues to identify schools as meeting proficiency targets, before publishing a list of schools or districts determined to have failed to make adequate yearly progress as required by the no child left behind act of 2001, Public Law 107-110, the department shall allow a school or district to appeal that determination. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not publish the list until after all appeals have been considered and decided.

Sec. 212. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

Sec. 214. The department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report must include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 216. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.

Sec. 218. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$700,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$250,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 220. (1) The department shall provide data requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner. If the department fails to provide reasonably requested data within 30 days after the request, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

(2) If the department fails to provide to the legislature reports and other data required by boilerplate or statute within 30 days after the date the information is due, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

Sec. 221. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 222. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 226. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 227. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees responsible for the department budget, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 230. The department may assist the department of community health, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to the department of community health for reimbursement.

Sec. 231. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 is estimated at \$15,637,500.00. Total agency appropriations for pension-related legacy costs are estimated at \$8,739,900.00. Total agency appropriations for retiree health care legacy costs are estimated at \$6,897,600.00.

Sec. 233. No state department or agency shall issue a request for proposal (RFP) for a contract in excess of \$5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the future RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

Sec. 234. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 235. The department shall not enter into a contract funded under part 1 that exceeds \$1,000,000.00 or seek a federal waiver from the no child left behind act of 2001, Public Law 107-110, or an amendment to the federal waiver, until after notification of the content to both the house and senate appropriations committees.

Sec. 236. From the funds appropriated in part 1, the department shall compile a report that identifies the mandates required of nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2015 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2015.

STATE BOARD/OFFICE OF THE SUPERINTENDENT

Sec. 301. (1) The appropriations in part 1 may be used for per diem payments to the state board for meetings at which a quorum is present or for performing official business authorized by the state board. The per diem payments shall be at a rate as follows:

- (a) State board of education - president - \$110.00 per day.
- (b) State board of education - member other than president - \$100.00 per day.
- (2) A state board of education member shall not be paid a per diem for more than 30 days per year.

Sec. 302. From the amount appropriated in part 1 to the state board of education, not more than \$35,000.00 for the fiscal year ending September 30, 2015 shall be expended for in-state travel and out-of-state travel directly related to the duties of the state board of education.

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Sec. 401. The employees at the Michigan schools for the deaf and blind who work on a school year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 402. For each student enrolled at the Michigan schools for the deaf and blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program. The amount shall exclude room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 406. (1) The Michigan schools for the deaf and blind may promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired. The Michigan schools for the deaf and blind shall distribute information detailing its services to all intermediate school districts in the state.

(2) Upon knowledge of or recognition by an intermediate school district that a child in the district is deaf or hard of hearing or blind or visually impaired, the intermediate school district shall provide to the parents of the child the literature distributed by the Michigan schools for the deaf and blind to intermediate school districts under subsection (1).

(3) Parents will continue to have a choice regarding the educational placement of their deaf or hard-of-hearing children.

Sec. 407. Revenue received by the Michigan schools for the deaf and blind from gifts, bequests, donations, and local district service fees that is unexpended at the end of the state fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

PROFESSIONAL PREPARATION SERVICES

Sec. 501. From the funds appropriated in part 1 for professional preparation services, the department shall maintain the registry of educational personnel and certificate revocation/felony conviction files.

Sec. 502. The department shall authorize teacher preparation institutions to provide an alternative program by which up to 1/2 of the required student internship or student teaching credits may be earned through substitute teaching. The department shall require that teacher preparation institutions collaborate with school districts to ensure that the quality of instruction provided to student teachers is comparable to that required in a traditional student teaching program.

Sec. 506. Revenue received from teacher testing fees that is unexpended at the end of the state fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

STATE AID AND SCHOOL FINANCE SERVICES

Sec. 601. Funds appropriated in part 1 for the financial independence team shall be expended for the purpose of implementing an early warning system to identify districts and intermediate school districts that are in need of financial attention. The financial independence team shall provide expertise, technical assistance, and the resources necessary to address the financial needs for those identified distressed districts and intermediate school districts.

EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES

Sec. 702. Funds appropriated in part 1 for educator evaluations and assessments phase-in shall not be expended unless House Bill Nos. 5223 and 5224 of the 97th Legislature are enacted into law.

LIBRARY OF MICHIGAN

Sec. 801. In addition to the funds appropriated in part 1, the funds collected by the department for document reproduction and services; conferences, workshops, and training classes; and the use of specialized equipment, facilities, and software are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

Sec. 803. It is the intent of the legislature that the library of Michigan and the component programs currently within the library of Michigan with the exception of the genealogical collections shall be kept together in a state department.

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2014. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments shall be prorated on an equal basis among all eligible public libraries.

Sec. 805. (1) The funds appropriated in part 1 for Michigan public school employees' retirement system reform costs shall be used for payments to district libraries that are participating entities of the Michigan public school employees' retirement system.

(2) Payments made under this section shall be equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(3) The amount allocated to each district library under this section shall be based on each district library's proportion of the total covered payroll for the immediately preceding fiscal year for all district libraries that are participating entities. District libraries that receive funds under this section shall use the funds solely for the purpose of retirement contributions as specified in subsection (4).

(4) Each participating entity receiving funds under this section shall forward an amount equal to the amount allocated under subsection (3) to the retirement system in a form, manner, and time frame determined by the retirement system.

SCHOOL SUPPORT SERVICES

Sec. 901. Within 10 days of the receipt of a grant appropriated in the federal and private grants line item in part 1, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director of the receipt of the grant, including the funding source, purpose, and amount of the grant.

MICHIGAN OFFICE OF GREAT START

Sec. 1001. By November 1, 2014, the department shall submit a report to the house and senate appropriations subcommittees on the department of education budget and the house and senate fiscal agencies on the number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2014.

Sec. 1003. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on all funding appropriated to the early childhood investment corporation (ECIC) by the state for fiscal year 2013-2014. The report is due by February 15 and shall contain at least the following information:

- (a) Total funding appropriated to the early childhood investment corporation by the state for fiscal year 2013-2014.
- (b) The amount of funding for each grant awarded.
- (c) The grant recipients.
- (d) The activities funded by each grant.

(e) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) All department contracts for early childhood comprehensive systems planning shall be bid out through a statewide request-for-proposal process.

SCHOOL REFORM OFFICE

Sec. 1101. (1) From the funds appropriated in part 1, the department shall assure all of the following:

(a) That public schools that are removed from the control of a district by action of the state reform/redesign officer, superintendent of public instruction, or any other entity remain in compliance with all applicable state and federal law concerning special education.

(b) That students at public schools described in subdivision (a) with individualized education programs are afforded special education services in accordance with applicable state and federal law concerning special education.

(2) The department shall report to the legislature on the number of students in public schools described in subsection (1)(a) who have an individualized education program and the performance results of those students after the change in governance of the public school.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

ARTICLE VII
DEPARTMENT OF ENVIRONMENTAL QUALITY
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30, 2015, from the following funds:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	1,284.5		
GROSS APPROPRIATION		\$	502,591,800
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			9,530,500
ADJUSTED GROSS APPROPRIATION		\$	493,061,300
Federal revenues:			
Federal funds			149,867,600
Special revenue funds:			
Private funds			546,900
Total other state restricted revenues			301,770,900
State general fund/general purpose		\$	40,875,900
State general fund/general purpose schedule:			
Ongoing state general fund/general purpose	38,375,900		
One-time state general fund/general purpose	2,500,000		

FUND SOURCE SUMMARY

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	1,284.5		
GROSS APPROPRIATION		\$	502,591,800
Interdepartmental grant revenues:			
IDG, MDOT - Michigan transportation fund			1,312,800
IDG, MDSP			1,562,900
IDT, interdivisional charges			2,053,400
IDT, laboratory services			4,601,400
Total interdepartmental grants and intradepartmental transfers			9,530,500
ADJUSTED GROSS APPROPRIATION		\$	493,061,300
Federal revenues:			
Federal funds			149,867,600
Special revenue funds:			
Private funds			546,900
Air emissions fees			10,670,000
Campground fund			334,300
Clean Michigan initiative - response activities			5,500,000
Clean Michigan initiative - clean water fund			2,617,100
Clean Michigan initiative - contaminated sediments			665,000
Clean Michigan initiative - nonpoint source			500,000
Cleanup and redevelopment fund			22,620,500
Community pollution prevention fund			250,000
Electronic waste recycling fund			342,400
Environmental education fund			164,300
Environmental perpetual care fund			115,000
Environmental pollution prevention fund			8,247,300
Environmental protection fund			2,165,800
Environmental response fund			5,721,100
Fees and collections			478,100
Financial instruments			5,000,000
Great Lakes protection fund			295,000
Groundwater discharge permit fees			1,723,200
Infrastructure construction fund			50,000

For Fiscal Year
Ending Sept. 30,
2015

Land and water permit fees	\$	3,939,000
Landfill maintenance trust fund		30,400
Medical waste emergency response fund		346,100
Metallic mining surveillance fee revenue		160,900
Mineral well regulatory fee revenue		233,400
Nonferrous metallic mineral surveillance		105,300
NPDES fees		4,468,900
Oil and gas regulatory fund		11,398,100
Orphan well fund		2,345,800
Public swimming pool fund		661,500
Public utility assessments		287,800
Public water supply fees		4,896,700
Refined petroleum fund		53,617,900
Retired engineers technical assistance program		670,400
Revitalization revolving loan fund		101,000
Revolving loan revenue bonds		11,400,000
Sand extraction fee revenue		100,500
Scrap tire regulatory fund		5,128,000
Septage waste contingency fund		18,100
Septage waste program fund		540,700
Settlement funds		652,100
Sewage sludge land application fees		1,113,500
Small business pollution prevention revolving loan fund		163,000
Soil erosion and sedimentation control training fund		167,500
Solid waste management fund - staff account		5,444,600
Stormwater permit fees		3,067,400
Strategic water quality initiatives fund		116,176,100
Wastewater operator training fees		593,100
Water analysis fees		2,260,200
Water pollution control revolving fund		3,844,600
Water quality protection fund		100,000
Water use reporting fees		279,200
Total other state restricted revenues		301,770,900
State general fund/general purpose	\$	40,875,900

Sec. 102. EXECUTIVE OPERATIONS

Full-time equated unclassified positions	6.0
Full-time equated classified positions	13.0
Unclassified salaries—6.0 FTE positions	\$ 724,700
Executive direction—13.0 FTE positions	2,080,900
GROSS APPROPRIATION	\$ 2,805,600
Appropriated from:	
Federal revenues:	
Federal funds	39,600
Special revenue funds:	
Environmental response fund	217,900
Oil and gas regulatory fund	399,900
Refined petroleum fund	593,100
Settlement funds	68,800
State general fund/general purpose	\$ 1,486,300

Sec. 103. OFFICE OF THE GREAT LAKES

Full-time equated classified positions	12.0
Office of the Great Lakes—12.0 FTE positions	\$ 2,894,700
Coastal management grants	1,750,000
GROSS APPROPRIATION	\$ 4,644,700
Appropriated from:	
Federal revenues:	
Federal funds	3,427,600

Special revenue funds:		
Great Lakes protection fund	\$	213,900
Settlement funds.....		112,100
State general fund/general purpose	\$	891,100

Sec. 104. GREAT LAKES RESTORATION INITIATIVE

Full-time equated classified positions.....	6.0	
Great Lakes restoration initiative—6.0 FTE positions	\$	15,052,200
GROSS APPROPRIATION	\$	15,052,200
Appropriated from:		
Federal revenues:		
Federal funds.....		15,052,200
State general fund/general purpose	\$	0

Sec. 105. DEPARTMENT SUPPORT SERVICES

Full-time equated classified positions.....	34.0	
Central support services—34.0 FTE positions	\$	4,090,800
Accounting service center.....		1,365,300
Administrative hearings.....		373,800
Automated data processing		2,053,400
Building occupancy charges.....		4,466,600
Environmental support projects.....		5,000,000
Rent - privately owned property.....		2,205,300
GROSS APPROPRIATION	\$	19,555,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG, MDSP.....		203,700
IDT, interdivisional charges		2,053,400
IDT, laboratory services.....		519,800
Federal revenues:		
Federal funds.....		5,400
Special revenue funds:		
Air emissions fees.....		1,232,900
Campground fund		28,000
Cleanup and redevelopment fund		1,704,500
Electronic waste recycling fund.....		28,700
Environmental perpetual care fund		115,000
Environmental pollution prevention fund		994,400
Environmental response fund		272,500
Fees and collections		23,800
Financial instruments		5,000,000
Great Lakes protection fund		52,800
Groundwater discharge permit fees.....		179,500
Land and water permit fees		517,600
Medical waste emergency response fund		27,300
Metallic mining surveillance fee revenue		11,100
Mineral well regulatory fee revenue.....		16,700
Nonferrous metallic mineral surveillance		1,700
NPDES fees.....		219,000
Oil and gas regulatory fund		918,200
Orphan well fund		29,100
Public swimming pool fund		36,100
Public utility assessments		38,800
Public water supply fees		184,200
Refined petroleum fund.....		1,593,500
Sand extraction fee revenue.....		9,000
Scrap tire regulatory fund		187,900
Septage waste program fund.....		28,700

For Fiscal Year
Ending Sept. 30,
2015

Settlement funds.....	\$	211,500
Sewage sludge land application fees		114,600
Small business pollution prevention revolving loan fund.....		17,000
Soil erosion and sedimentation control training fund		16,600
Solid waste management fund - staff account.....		581,600
Stormwater permit fees		111,000
Wastewater operator training fees.....		37,300
Water analysis fees.....		166,100
Water use reporting fees.....		21,600
State general fund/general purpose	\$	2,044,600

Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE

Full-time equated classified positions.....	40.0	
Office of environmental assistance—40.0 FTE positions	\$	7,242,800
Pollution prevention local grants.....		250,000
GROSS APPROPRIATION	\$	7,492,800
Appropriated from:		
Federal revenues:		
Federal funds.....		780,200
Special revenue funds:		
Private funds		359,700
Air emissions fees.....		134,800
Community pollution prevention fund		250,000
Environmental education fund.....		164,300
Environmental pollution prevention fund		1,483,700
Fees and collections		118,700
Retired engineers technical assistance program		670,400
Settlement funds.....		259,700
Small business pollution prevention revolving loan fund.....		132,700
State general fund/general purpose	\$	3,138,600

Sec. 107. WATER RESOURCE DIVISION

Full-time equated classified positions.....	331.0	
Land and water interface permit programs—83.0 FTE positions	\$	11,714,600
Program direction and project assistance—30.0 FTE positions.....		3,089,200
Water withdrawal assessment program—4.0 FTE positions.....		613,600
Water quality and use initiative/general—5.0 FTE positions		2,477,200
Real-time beach monitoring program		500,000
Wetlands program		1,000,000
Expedited water/wastewater permits—3.0 FTE positions		50,000
Fish contaminant monitoring		316,100
Groundwater discharge—22.0 FTE positions		3,064,100
NPDES nonstormwater program—89.0 FTE positions.....		12,803,900
Surface water—95.0 FTE positions		16,446,500
Federal - Great Lakes remedial action plan grants.....		700,000
Federal - nonpoint source water pollution grants.....		6,500,000
Contaminated lake and river sediment cleanup program		665,000
Nonpoint source pollution prevention and control project program.....		500,000
Wetland mitigation banking grants and loans		3,000,000
Water quality protection grants.....		100,000
GROSS APPROPRIATION	\$	63,540,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG, MDOT - Michigan transportation fund		1,227,600
Federal revenues:		
Federal funds.....		22,909,700
Special revenue funds:		
Clean Michigan initiative - clean water fund.....		2,617,100

For Fiscal Year
Ending Sept. 30,
2015

Clean Michigan initiative - contaminated sediments	\$	665,000
Clean Michigan initiative - nonpoint source		500,000
Environmental response fund		202,000
Groundwater discharge permit fees.....		1,449,200
Infrastructure construction fund		50,000
Land and water permit fees		3,081,700
NPDES fees.....		4,078,500
Refined petroleum fund.....		440,700
Sewage sludge land application fees		937,800
Soil erosion and sedimentation control training fund		137,900
Stormwater permit fees		2,869,900
Strategic water quality initiatives fund		3,000,000
Wastewater operator training fees.....		277,000
Water pollution control revolving fund.....		810,900
Water quality protection fund		100,000
Water use reporting fees.....		241,200
State general fund/general purpose	\$	17,944,000

Sec. 108. LAW ENFORCEMENT DIVISION

Full-time equated classified positions.....	14.0	
Environmental investigations—14.0 FTE positions.....		\$ 2,810,900
GROSS APPROPRIATION		\$ 2,810,900
Appropriated from:		
Interdepartmental grant revenues:		
IDT, laboratory services.....		54,300
Federal revenues:		
Federal funds.....		824,500
Special revenue funds:		
Air emissions fees.....		56,000
Campground fund		4,100
Cleanup and redevelopment fund		223,500
Electronic waste recycling fund.....		3,000
Environmental pollution prevention fund		138,600
Environmental response fund		51,000
Fees and collections		3,700
Great Lakes protection fund		5,600
Groundwater discharge permit fees.....		18,700
Land and water permit fees		77,000
Medical waste emergency response fund.....		4,200
Metallic mining surveillance fee revenue		1,700
Mineral well regulatory fee revenue.....		2,600
NPDES fees.....		32,000
Oil and gas regulatory fund		154,900
Orphan well fund		4,500
Public swimming pool fund		5,600
Public utility assessments		4,100
Public water supply fees		28,400
Refined petroleum fund.....		363,400
Sand extraction fee revenue.....		1,400
Scrap tire regulatory fund		36,500
Septage waste program fund.....		4,400
Sewage sludge land application fees		12,200
Small business pollution prevention revolving loan fund.....		2,600
Soil erosion and sedimentation control training fund		2,600
Solid waste management fund - staff account.....		78,200
Stormwater permit fees		17,200
Wastewater operator training fees.....		5,700
Water analysis fees.....		22,300
Water use reporting fees.....		3,100
State general fund/general purpose		\$ 563,300

Sec. 109. AIR QUALITY DIVISION

Full-time equated classified positions.....	203.0	
Air quality programs—203.0 FTE positions.....		\$ 26,093,200
GROSS APPROPRIATION.....		\$ 26,093,200
Appropriated from:		
Federal revenues:		
Federal funds.....		7,565,300
Special revenue funds:		
Air emissions fees.....		8,587,400
Environmental pollution prevention fund.....		1,337,000
Fees and collections.....		282,800
Oil and gas regulatory fund.....		134,900
Refined petroleum fund.....		3,596,600
State general fund/general purpose.....		\$ 4,589,200

Sec. 110. RESOURCE MANAGEMENT DIVISION

Full-time equated classified positions.....	319.5	
Drinking water and environmental health—106.5 FTE positions.....		\$ 15,982,300
Hazardous waste management program—51.0 FTE positions.....		6,821,200
Low-level radioactive waste authority—2.0 FTE positions.....		228,400
Medical waste program—2.0 FTE positions.....		297,700
Municipal assistance—34.0 FTE positions.....		6,534,700
Radiological protection program—12.0 FTE positions.....		1,693,900
Scrap tire regulatory program—11.0 FTE positions.....		1,323,400
Oil, gas, and mineral services—61.0 FTE positions.....		12,031,900
Recycling initiative—3.0 FTE positions.....		1,000,000
Solid waste management program—37.0 FTE positions.....		4,935,700
Drinking water program grants.....		1,330,000
Noncommunity water grants.....		2,000,000
Septage waste compliance grants.....		275,000
Strategic water quality initiative grants and loans.....		97,000,000
Water pollution control and drinking water revolving fund.....		87,943,000
Scrap tire grants.....		3,500,000
GROSS APPROPRIATION.....		\$ 242,897,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG, MDSP.....		1,272,100
Federal revenues:		
Federal funds.....		89,533,200
Special revenue funds:		
Campground fund.....		285,700
Electronic waste recycling fund.....		298,300
Environmental pollution prevention fund.....		3,700,100
Fees and collections.....		34,200
Medical waste emergency response fund.....		297,700
Metallic mining surveillance fee revenue.....		141,200
Mineral well regulatory fee revenue.....		203,700
Nonferrous metallic mineral surveillance.....		103,000
Oil and gas regulatory fund.....		9,205,600
Orphan well fund.....		2,293,900
Public swimming pool fund.....		597,300
Public utility assessments.....		228,400
Public water supply fees.....		4,222,200
Refined petroleum fund.....		671,700
Revolving loan revenue bonds.....		11,400,000
Sand extraction fee revenue.....		84,500
Scrap tire regulatory fund.....		4,823,400
Septage waste contingency fund.....		18,100

		For Fiscal Year Ending Sept. 30, 2015
Septage waste program fund.....	\$	489,500
Solid waste management fund - staff account.....		4,457,500
Strategic water quality initiatives fund		98,176,100
Wastewater operator training fees.....		249,800
Water pollution control revolving fund.....		2,821,300
State general fund/general purpose	\$	7,288,700

Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION

Full-time equated classified positions.....	312.0	
Contaminated site investigations, cleanup and revitalization—209.0 FTE positions	\$	29,385,200
Federal cleanup project management—55.0 FTE positions.....		8,931,000
Laboratory services—48.0 FTE positions		6,092,000
Brownfield grants.....		5,500,000
Emergency cleanup actions		4,000,000
Environmental cleanup support.....		1,840,000
Environmental cleanup and redevelopment program.....		15,000,000
Refined petroleum product cleanup program.....		32,900,000
Superfund cleanup		3,000,000
GROSS APPROPRIATION	\$	106,648,200
Appropriated from:		
Interdepartmental grant revenues:		
IDT, laboratory services.....		3,807,200
Federal revenues:		
Federal funds.....		8,315,000
Special revenue funds:		
Private funds		187,200
Clean Michigan initiative - response activities.....		5,500,000
Cleanup and redevelopment fund		19,785,700
Environmental protection fund.....		2,165,800
Environmental response fund		4,769,400
Landfill maintenance trust fund		30,400
Public water supply fees		303,300
Refined petroleum fund.....		44,701,700
Revitalization revolving loan fund.....		101,000
Strategic water quality initiatives fund		15,000,000
Water analysis fees.....		1,981,500
State general fund/general purpose	\$	0

Sec. 112. INFORMATION TECHNOLOGY

Information technology services and projects.....	\$	8,551,600
GROSS APPROPRIATION	\$	8,551,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG, MDOT - Michigan transportation fund.....		85,200
IDG, MDSP.....		87,100
IDT, laboratory services.....		220,100
Federal revenues:		
Federal funds.....		1,414,900
Special revenue funds:		
Air emissions fees.....		658,900
Campground fund		16,500
Cleanup and redevelopment fund		906,800
Electronic waste recycling fund.....		12,400
Environmental pollution prevention fund		593,500
Environmental response fund		208,300
Fees and collections		14,900
Great Lakes protection fund		22,700
Groundwater discharge permit fees.....		75,800

		For Fiscal Year Ending Sept. 30, 2015
Land and water permit fees	\$	262,700
Medical waste emergency response fund		16,900
Metallic mining surveillance fee revenue		6,900
Mineral well regulatory fee revenue		10,400
Nonferrous metallic mineral surveillance		600
NPDES fees.....		139,400
Oil and gas regulatory fund		584,600
Orphan well fund		18,300
Public swimming pool fund		22,500
Public utility assessments		16,500
Public water supply fees		158,600
Refined petroleum fund.....		1,657,200
Sand extraction fee revenue		5,600
Scrap tire regulatory fund		80,200
Septage waste program fund.....		18,100
Sewage sludge land application fees		48,900
Small business pollution prevention revolving loan fund		10,700
Soil erosion and sedimentation control training fund		10,400
Solid waste management fund - staff account		327,300
Stormwater permit fees		69,300
Wastewater operator training fees.....		23,300
Water analysis fees.....		90,300
Water pollution control revolving fund.....		212,400
Water use reporting fees.....		13,300
State general fund/general purpose	\$	430,100

Sec. 113. ONE-TIME BASIS ONLY APPROPRIATIONS

Electronic document management	\$	2,500,000
GROSS APPROPRIATION	\$	2,500,000
Appropriated from:		
Special revenue funds:		
State general fund/general purpose	\$	2,500,000

PART 2

**PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015**

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$342,646,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$2,775,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

GRANTS

Noncommunity water grants.....	\$	2,000,000
Scrap tire grants.....		500,000
Septage waste compliance program.....		275,000
TOTAL.....	\$	2,775,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the department of environmental quality.

- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "IDT" means intradepartmental transfer.
- (f) "MDOT" means the state transportation department.
- (g) "MDSP" means the department of state police.
- (h) "NPDES" means national pollution discharge elimination system.

Sec. 204. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 205. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 207. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 209. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 210. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses and associated subcontractors if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 211. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 213. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(2) As used in this section:

(a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

(b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Sec. 214. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 215. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 216. (1) The department shall report all of the following information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

(a) The name and location of the site for which an allocation is made.

(b) The nature of the problem encountered at the site.

(c) A brief description of how the problem will be resolved if the allocation is made for a response activity.

(d) The estimated date that site closure activities will be completed.

(e) The amount of the allocation, or the anticipated financing for the site.

(f) A summary of the sites and the total amount of funds expended at the sites at the conclusion of the fiscal year.

(g) The number of brownfield projects that were successfully redeveloped.

(2) The report prepared under subsection (1) shall also include all of the following:

(a) The status of all state-owned facilities that are on the list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

(b) The report shall include the total amount of funds expended during the fiscal year and the total amount of funds awaiting expenditure.

(c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

(3) The report shall be made available by March 31 of each year.

Sec. 217. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of legislatively approved sites for the environmental cleanup and redevelopment program, the refined petroleum product cleanup program, brownfield grants and loans, waterfront grants, and the environmental bond site reclamation program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 1991 PA 160, 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, and 2013 PA 59 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63, 2012 PA 200, and 2013 PA 59 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, and 2013 PA 59 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

Sec. 219. Unexpended settlement revenues at the end of the fiscal year may be carried forward into the settlement fund in the succeeding fiscal year up to a maximum carryforward of \$2,500,000.00.

Sec. 221. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 222. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 223. Part 1 provides authorizations to fund classified positions during the fiscal year ending September 30, 2015. Line-item appropriations include limitations on the number of payroll hours to be funded, on the basis of 2,088 hours per each FTE position. The department shall report the number of funded FTE positions within 15 days after the effective date of this part. The number of classified employees compensated through each line item is limited by the authorized FTE positions indicated in part 1, as adjusted for the number of reported funded FTE positions. The report shall be provided to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies.

Sec. 225. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 228. The department shall provide a report on the customer satisfaction evaluation program and the feedback received to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies by July 1, 2015.

Sec. 229. The department shall provide a report on the expedited permitting program to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies by July 1, 2015.

Sec. 231. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 234. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$34,046,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$19,029,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$15,017,300.00.

REMEDIATION DIVISION

Sec. 301. Revenues remaining in the interdepartmental transfers, laboratory services at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 302. The unexpended funds appropriated in part 1 for emergency cleanup actions, the environmental cleanup and redevelopment program, and the refined petroleum product cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is identified in each line-item appropriation.
- (d) The tentative completion date is September 30, 2019.

Sec. 303. Effective October 1, 2014, surplus funds not to exceed \$1,000,000.00 in the cleanup and redevelopment trust fund are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 304. Effective October 1, 2014, surplus funds not to exceed \$1,000,000.00 in the community pollution prevention fund created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 305. It is the intent of the legislature to repay the refined petroleum fund for the \$70,000,000.00 that was transferred to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a, as part of the resolution for the fiscal year 2006-2007 budget.

Sec. 306. (1) The funds appropriated in part 1 for the refined petroleum product cleanup program shall be used to fund cleanup activities on the following sites:

Site Name	County
Laughing Whitefish Trading Post	Alger
Geib Oil Company	Allegan
Bob-A-Lu Market	Alpena
Kihn's Suprette	Alpena
Schultz's Market and Gas	Alpena
Frankfort Station	Benzie
Nyes Shell Service	Berrien
Streffling Oil Co.	Berrien
Streffling Oil Galien Pro Quick Mart	Berrien
Clark #768 (Albion)	Calhoun
Pioneer Auto Truck Stops	Calhoun
Te-Khi Truck Auto Plaza Inc.	Calhoun
J.J.'s General Store	Charlevoix
Donald Johnson	Cheboygan
Jack's Auto Repair	Cheboygan
Rex Oil & Gas	Cheboygan
The Depot	Clare
Alexander Towing	Crawford
Bob's Marathon	Eaton
Maeward Inc. (Fabrications Plus, LLC)	Eaton
Odyssey House, Flint	Genesee
Sunshine Foods #119 Burton	Genesee
Taber's Oil Co., Inc.	Genesee
Estey Service Station	Gladwin
Jim's Automotive	Gladwin
Winegar's Trading Post	Gladwin
Wilson's Grocery	Gratiot
Bilcor Plastics	Hillsdale
Engelhardt Petroleum, Inc. Gas Station	Huron
Action Auto Inc.	Ingham

Action Auto Store #30
 Clark Station #1995
 Graham Oil Bulk Plant
 McDonald's Crosstown Service
 Davis Country Corners
 1515 Madison Avenue SE
 MSI #635
 E.J. Green
 Fred & Margaret Munger/Sunoco
 Market 103
 Lakeside Resort and Party Store
 Ralph Herman Farm
 Ted's Standard Service (former)
 A-1 Auto Parts
 Blissfield Marathon
 C & J Service (H. Jerry Powelka)
 Clayton Corners
 Darwin's Truck & Auto Service
 The Pit
 Slagg's Auto Service
 White Star Tavern
 Quick Lube
 216 Millbrook, Mecosta
 Purcell Property
 Dutch Hutch
 Alexander's Full Service
 DOC Optical
 Speed-E-Mart (former)
 Wells Oil, 281 N. Shelby Rd.
 William Crawford Property
 Andy's Standard
 Chuck's Corner
 Hersey Party Store
 West Otsego Lake Grocery
 Onaway Tax Service
 Radio Tavern
 Vince's Sunoco
 Winterhawk General Store
 Thomas White Property
 Chapin General Store
 Clark #1072
 Iva General Store
 M & K Investment Group LLC
 State Wide Expanded Triage
 Imlay City Gas & Oil
 Mr. C's Service
 Broekhutzen Produce
 Jimmie's Filling Station
 1801 S. Fort Street (Sunoco #0008-6520)
 3901 Mt. Elliot, former service station
 Anmas Inc.
 Cal's Car Care, Incorporated – BTEX

Ingham
 Ingham
 Iosco
 Kalamazoo
 Kalkaska
 Kent
 Kent
 Lapeer
 Lapeer
 Lapeer
 Leelanau
 Leelanau
 Leelanau
 Lenawee
 Lenawee
 Lenawee
 Lenawee
 Lenawee
 Livingston
 Mackinac
 Manistee
 Mason
 Mecosta
 Mecosta
 Missaukee
 Newaygo
 Oakland
 Oakland
 Oceana
 Oceana
 Osceola
 Osceola
 Osceola
 Otsego
 Presque Isle
 Presque Isle
 Presque Isle
 Presque Isle
 Roscommon
 Saginaw
 Saginaw
 Saginaw
 Saginaw
 Statewide
 Tuscola
 Tuscola
 Van Buren
 Washtenaw
 Wayne
 Wayne
 Wayne
 Wayne

(2) The department shall provide a report to the legislature on the amount actually spent at each site listed in subsection (1) and give a detailed account of the work actually performed at each site.

Sec. 309. The unexpended funds appropriated in part 1 for the brownfield grant program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is \$5,500,000.00.

(d) The tentative completion date is September 30, 2019.

Sec. 310. (1) Upon approval by the state budget director, the department may expend from the general fund of the state an amount to meet the cash-flow requirements of projects funded under any of the following that are financed from bond proceeds and for which bonds have been authorized but not yet issued:

(a) Part 52 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201 to 324.5206.

(b) Part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306.

(c) Part 196 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19601 to 324.19616.

(2) Upon the sale of bonds for projects described in subsection (1), the department shall credit the general fund of the state an amount equal to that expended from the general fund.

WATER RESOURCES DIVISION

Sec. 401. From the funds appropriated in part 1 for surface water, not less than \$700,000.00 and 5.0 FTEs shall be allocated to support the permit review program within the aquatic nuisance control program. The department shall report to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies by September 30, 2015 on the use of this funding and the number of permit applications processed by the program in 2015.

Sec. 402. From the funds appropriated in part 1 for the water quality and use initiative/general line item, the department shall produce a report detailing a comprehensive plan for the use of the water quality and use initiative funding appropriated in part 1 and identifying the amount of expenditures for specific programs made from the water quality and use initiative/general line item, the real-time beach monitoring program line item, and the wetlands program line item. The report shall be submitted to the chairpersons of the senate and house of representatives appropriations subcommittees on environmental quality and the senate and house fiscal agencies by September 30, 2015.

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

AIR QUALITY DIVISION

Sec. 502. The department shall not assess additional penalties under part 55 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5501 to 324.5542, for violations that occurred under a previous owner unless compelled by a consent order or judgment, or other legal requirement.

RESOURCE MANAGEMENT DIVISION

Sec. 603. From the funds appropriated in part 1, by December 31, 2014, the department shall compile and make available to the public on a publicly accessible website a report containing a summary document of each completed asset management plan for any stormwater, asset management, or wastewater grant awarded to a local unit of government to fund the development of a plan. As a condition of receiving a stormwater, asset management, or wastewater grant, a local unit of government shall make its asset management plan available to the department upon request when completed and shall retain copies of the plan that can be made available to the public for a minimum of 15 years. The department shall make available a summary document of each plan on a publicly accessible website by September 30 of the year it was completed. The summary document shall include a summary of the plan, the plan's major identified assets, and contact information for the local unit of government.

Sec. 604. Of the funds appropriated in part 1, if the balance of revenue in the environmental pollution prevention fund is anticipated to decline below anticipated spending levels at any point during the fiscal year ending September 30, 2015, appropriations other than the hazardous waste management program appropriation shall be reduced.

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

Sec. 1202. It is the intent of the legislature that the department identify the amounts for normal retirement costs and legacy retirement costs for the fiscal year ending on September 30, 2016 for the line items listed in part 1.

ARTICLE VIII
GENERAL GOVERNMENT

PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, and certain state purposes related thereto, for the fiscal year ending September 30, 2015, from the following funds:

**TOTAL GENERAL GOVERNMENT
APPROPRIATION SUMMARY**

Full-time equated unclassified positions	44.0	
Full-time equated classified positions	7,747.2	
GROSS APPROPRIATION	\$	4,705,290,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		740,374,200
ADJUSTED GROSS APPROPRIATION	\$	3,964,916,700
Federal revenues:		
Total federal revenues		689,103,500
Special revenue funds:		
Total local revenues.....		9,969,700
Total private revenues		6,287,200
Total other state restricted revenues		2,048,873,600
State general fund/general purpose	\$	1,210,682,700
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose.....		1,106,382,400
One-time state general fund/general purpose		104,300,300

**Sec. 102. DEPARTMENT OF ATTORNEY GENERAL
(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	513.5	
GROSS APPROPRIATION	\$	93,822,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		27,783,800
ADJUSTED GROSS APPROPRIATION	\$	66,038,500
Federal revenues:		
Total federal revenues		9,857,200
Special revenue funds:		
Total local revenues.....		0

For Fiscal Year
Ending Sept. 30,
2015

Total private revenues	\$	0
Total other state restricted revenues		17,914,200
State general fund/general purpose	\$	38,267,100
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose.....		35,267,100
One-time state general fund/general purpose		3,000,000
(2) ATTORNEY GENERAL OPERATIONS		
Full-time equated unclassified positions		6.0
Full-time equated classified positions		513.5
Attorney general.....	\$	112,500
Unclassified positions—5.0 FTE positions.....		724,700
Attorney general operations—475.5 FTE positions.....		82,072,700
Child support enforcement—25.0 FTE positions.....		3,445,000
Prosecuting attorneys coordinating council—12.0 FTE positions.....		2,106,100
Public safety initiative—1.0 FTE position.....		904,300
GROSS APPROPRIATION	\$	89,365,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDCH, health policy		203,300
IDG from MDCH, medical services administration		523,000
IDG from MDCH, WIC		94,800
IDG from department of corrections		649,100
IDG from MDE		389,700
IDG from MDEQ		2,174,000
IDG from MDHS		5,829,700
IDG from MSF, workforce development agency		88,000
IDG from MDLARA, financial and insurance services		1,377,000
IDG from MDLARA, fireworks safety fund		81,600
IDG from MDLARA, health professions		2,984,600
IDG from MDLARA, licensing and regulation fees.....		243,100
IDG from MDLARA, Michigan occupational safety and health administration.....		106,000
IDG from MDLARA, remonumentation fees.....		104,500
IDG from MDLARA, unlicensed builders		181,600
IDG from MDTMB.....		255,800
IDG from MDTMB, civil service commission.....		300,600
IDG from MDTMB, risk management revolving fund		1,442,900
IDG from MDMVA.....		161,900
IDG from MDOS, children's protection registry		44,300
IDG from MDOT, comprehensive transportation fund.....		200,900
IDG from MDOT, state aeronautics fund.....		174,400
IDG from MDOT, state trunkline fund.....		2,387,000
IDG from MDSP, Michigan justice training fund		162,900
IDG from MDSP		352,700
IDG from Michigan state housing development authority		664,900
IDG from treasury		6,429,700
IDG from treasury, strategic fund.....		175,800
Federal revenues:		
DAG, state administrative match grant/food stamps		434,500
Federal funds.....		3,035,300
HHS, medical assistance, medigrant.....		678,200
HHS-OS, state Medicaid fraud control units.....		5,590,000
National criminal history improvement program.....		119,200
Special revenue funds:		
Antitrust enforcement collections		749,400
Attorney general's operations fund.....		1,213,000
Auto repair facilities fees		321,800
Franchise fees		375,900
Game and fish protection fund		838,000

For Fiscal Year
Ending Sept. 30,
2015

Liquor purchase revolving fund.....	\$	1,434,300
Manufactured housing fees		246,200
Merit award trust fund.....		487,300
Michigan employment security act - administrative fund.....		2,202,500
Prisoner reimbursement.....		614,400
Prosecuting attorneys training fees.....		405,300
Public utility assessments.....		2,141,300
Real estate enforcement fund		499,000
Reinstatement fees.....		215,100
Retirement funds.....		1,024,200
Second injury fund		807,500
Self-insurers security fund.....		561,400
Silicosis and dust disease fund		221,700
State building authority revenue.....		118,800
State casino gaming fund		1,829,600
State lottery fund		339,100
Utility consumers fund		767,600
Waterways fund		137,600
Worker's compensation administrative revolving fund		363,200
State general fund/general purpose	\$	33,810,100

(3) INFORMATION TECHNOLOGY

Information technology services and projects.....	\$	1,457,000
GROSS APPROPRIATION	\$	1,457,000

Appropriated from:

State general fund/general purpose	\$	1,457,000
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(4) ONE-TIME BASIS ONLY APPROPRIATIONS

Sexual assault prosecutions	\$	3,000,000
GROSS APPROPRIATION	\$	3,000,000

Appropriated from:

State general fund/general purpose	\$	3,000,000
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Sec. 103. DEPARTMENT OF CIVIL RIGHTS

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	132.0
GROSS APPROPRIATION	\$ 16,644,200

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers.....	288,900
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ADJUSTED GROSS APPROPRIATION	\$ 16,355,300
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Federal revenues:

Total federal revenues	2,736,500
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Special revenue funds:

Total local revenues.....	0
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Total private revenues.....	18,700
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Total other state restricted revenues	151,900
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State general fund/general purpose	\$ 13,448,200
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State general fund/general purpose schedule:

Ongoing state general fund/general purpose.....	13,448,200
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One-time state general fund/general purpose	0
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(2) CIVIL RIGHTS OPERATIONS

Full-time equated unclassified positions	6.0
Full-time equated classified positions	132.0
Unclassified positions—6.0 FTE positions.....	\$ 724,700

Civil rights operations—124.0 FTE positions	14,091,800
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Division on deaf and hard of hearing—6.0 FTE positions	785,600
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Hispanic/Latino commission of Michigan—1.0 FTE position	255,600
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Asian Pacific American affairs commission—1.0 FTE position	110,800
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GROSS APPROPRIATION	\$ 15,968,500
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Appropriated from:	
Interdepartmental grant revenues:	
IDG from DTMB.....	\$ 288,900
Federal revenues:	
EEOC, state and local antidiscrimination agency contracts.....	1,199,200
HUD, grant.....	1,522,300
Special revenue funds:	
Private revenues.....	18,700
Division on deafness fund.....	93,400
State restricted revenues.....	58,500
State general fund/general purpose	\$ 12,787,500

(3) INFORMATION TECHNOLOGY

Information technology services and projects.....	\$ 675,700
GROSS APPROPRIATION	\$ 675,700

Appropriated from:	
Federal revenues:	
EEOC, state and local antidiscrimination agency contracts.....	15,000
State general fund/general purpose	\$ 660,700

Sec. 104. EXECUTIVE OFFICE

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	10.0
Full-time equated classified positions	78.2
GROSS APPROPRIATION	\$ 5,916,100
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers.....	0
ADJUSTED GROSS APPROPRIATION	\$ 5,916,100
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues.....	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 5,916,100
State general fund/general purpose schedule:	
Ongoing state general fund/general purpose.....	5,916,100
One-time state general fund/general purpose	0

(2) EXECUTIVE OFFICE OPERATIONS

Full-time equated unclassified positions	10.0
Full-time equated classified positions	78.2
Governor.....	\$ 159,300
Lieutenant governor	111,600
Executive office—78.2 FTE positions.....	4,387,900
Unclassified positions—8.0 FTE positions.....	1,257,300
GROSS APPROPRIATION	\$ 5,916,100
Appropriated from:	
State general fund/general purpose	\$ 5,916,100

Sec. 105. LEGISLATURE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 154,089,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers.....	5,220,700
ADJUSTED GROSS APPROPRIATION	\$ 148,868,600
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues.....	0

		For Fiscal Year Ending Sept. 30, 2015
Total private revenues	\$	400,000
Total other state restricted revenues		6,110,600
State general fund/general purpose	\$	142,358,000
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose.....		142,358,000
One-time state general fund/general purpose		0
(2) LEGISLATURE		
Senate	\$	32,150,600
Senate automated data processing		2,541,600
Senate fiscal agency		3,580,200
House of representatives		49,446,200
House automated data processing.....		2,017,800
House fiscal agency		3,580,200
GROSS APPROPRIATION	\$	93,316,600
Appropriated from:		
State general fund/general purpose	\$	93,316,600
(3) LEGISLATIVE COUNCIL		
Legislative council	\$	10,927,800
Legislative service bureau automated data processing.....		1,371,200
Worker's compensation		145,500
National association dues		437,100
Legislative corrections ombudsman.....		700,900
GROSS APPROPRIATION	\$	13,582,500
Appropriated from:		
Special revenue funds:		
Private - gifts and bequests revenues		400,000
State general fund/general purpose	\$	13,182,500
(4) LEGISLATIVE RETIREMENT SYSTEM		
General nonretirement expenses.....	\$	4,717,000
GROSS APPROPRIATION	\$	4,717,000
Appropriated from:		
Special revenue funds:		
Court fees.....		1,109,800
State general fund/general purpose	\$	3,607,200
(5) PROPERTY MANAGEMENT		
Cora Anderson building.....	\$	10,667,000
Farnum building and other properties		2,662,200
GROSS APPROPRIATION	\$	13,329,200
Appropriated from:		
State general fund/general purpose	\$	13,329,200
(6) STATE CAPITOL HISTORIC SITE		
General operations.....	\$	3,985,200
Restoration, renewal and maintenance.....		3,000,000
GROSS APPROPRIATION	\$	6,985,200
Appropriated from:		
Special revenue funds:		
Capitol historic site fund		3,000,000
State general fund/general purpose	\$	3,985,200
(7) OFFICE OF THE AUDITOR GENERAL		
Unclassified positions.....	\$	329,400
Field operations		21,829,400
GROSS APPROPRIATION	\$	22,158,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, comprehensive transportation fund.....		37,400
IDG from MDOT, Michigan transportation fund		303,500
IDG from MDOT, state aeronautics fund.....		29,100
IDG from MDOT, state trunkline fund.....		704,900

IDG, single audit act	\$	2,799,200
IDG, commercial mobile radio system emergency telephone fund		35,400
IDG, contract audit administration fees		39,800
IDG, deferred compensation funds		52,200
IDG, Michigan finance authority		317,800
IDG, Michigan economic development authority		92,500
IDG, Michigan education trust fund		68,000
IDG, Michigan strategic fund		162,500
IDG, office of retirement services		209,800
IDG, other restricted funding sources		368,600
Special revenue funds:		
21st century jobs fund		92,500
Brownfield development fund		27,100
Clean Michigan initiative implementation bond fund		52,300
Fee adequacy, air quality delegated authority		13,400
Game and fish protection fund		30,100
Legislative retirement system		28,000
MDTMB, civil service commission		159,700
MDLARA, liquor purchase revolving fund		27,500
Michigan justice training commission fund		39,300
Michigan state housing development authority fees		109,100
Michigan veterans trust fund		34,100
Motor transport revolving fund		7,200
Office services revolving fund		9,600
State disbursement unit, office of child support		55,200
State services fee fund		1,304,800
Waterways fund		10,900
State general fund/general purpose	\$	14,937,300

Sec. 106. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	1,587.0
GROSS APPROPRIATION	\$ 223,984,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	20,000,000
ADJUSTED GROSS APPROPRIATION	\$ 203,984,900
Federal revenues:	
Total federal revenues	1,460,000
Special revenue funds:	
Total local revenues	0
Total private revenues	100
Total other state restricted revenues	184,985,800
State general fund/general purpose	\$ 17,539,000
State general fund/general purpose schedule:	
Ongoing state general fund/general purpose	17,539,000
One-time state general fund/general purpose	0

(2) EXECUTIVE DIRECTION

Full-time equated unclassified positions	6.0
Full-time equated classified positions	30.0
Secretary of state	\$ 112,500
Unclassified positions—5.0 FTE positions	724,700
Operations—30.0 FTE positions	4,579,400
GROSS APPROPRIATION	\$ 5,416,600
Appropriated from:	
Special revenue funds:	
Auto repair facilities fees	69,200
Children's protection registry fund	272,600

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Driver fees	\$	277,900
Enhanced driver license and enhanced official state personal identification card fund		212,900
Expedient service fees.....		66,800
Parking ticket court fines.....		9,300
Personal identification card fees		32,300
Reinstatement fees - operator licenses.....		250,700
Transportation administration collection fund.....		2,506,500
Vehicle theft prevention fees.....		40,700
State general fund/general purpose	\$	1,677,700

(3) DEPARTMENT SERVICES

Full-time equated classified positions	161.0	
Operations—161.0 FTE positions	\$	30,449,000
GROSS APPROPRIATION	\$	30,449,000

Appropriated from:

Special revenue funds:

Abandoned vehicle fees	481,900
Auto repair facilities fees	1,608,700
Driver fees	1,578,700
Driver improvement course fund	309,200
Enhanced driver license and enhanced official state personal identification card fund	546,200
Expedient service fees.....	274,100
Marine safety fund	84,300
Personal identification card fees	191,600
Reinstatement fees - operator licenses.....	1,290,000
Scrap tire fund	77,300
Transportation administration collection fund.....	22,225,900
Vehicle theft prevention fees.....	629,900
State general fund/general purpose	\$ 1,151,200

(4) LEGAL SERVICES

Full-time equated classified positions	33.0	
Operations—33.0 FTE positions	\$	7,117,300
GROSS APPROPRIATION	\$	7,117,300

Appropriated from:

Special revenue funds:

Auto repair facilities fees	1,449,100
Driver education provider and instructor fund.....	25,500
Driver fees	934,900
Enhanced driver license and enhanced official state personal identification card fund	90,800
Personal identification card fees	60,900
Reinstatement fees - operator licenses.....	716,300
Transportation administration collection fund.....	3,362,300
Vehicle theft prevention fees.....	465,300
State general fund/general purpose	\$ 12,200

(5) CUSTOMER DELIVERY SERVICES

Full-time equated classified positions	1,318.0	
Branch operations—927.5 FTE positions	\$	84,248,600
Central operations—371.5 FTE positions		47,761,600
Commemorative license plates—14.0 FTE positions.....		1,897,300
Motorcycle safety education administration—2.0 FTE positions		330,100
Motorcycle safety education grants		1,800,000
Credit and debit assessment services.....		5,000,000
Specialty license plates—3.0 FTE positions		750,000
Organ donor program		129,100
GROSS APPROPRIATION	\$	141,916,700

Appropriated from:

Interdepartmental grant revenues:

IDG from MDOT, Michigan transportation fund	20,000,000
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Federal revenues:		
Federal funds.....	\$	1,460,000
Special revenue funds:		
Private funds		100
Abandoned vehicle fees		204,800
Auto repair facilities fees		1,734,600
Child support clearance fees.....		364,100
Credit and debit assessment service fees		5,000,000
Driver education provider and instructor fund.....		49,600
Driver fees		25,852,100
Driver improvement course fund		1,248,400
Enhanced driver license and enhanced official state personal identification card fund		7,691,800
Expedient service fees.....		2,608,200
Marine safety fund		1,394,600
Michigan state police auto theft fund.....		123,700
Mobile home commission fees.....		508,200
Motorcycle safety fund		1,830,100
Off-road vehicle title fees		167,300
Parking ticket court fines.....		1,632,600
Personal identification card fees		2,278,500
Recreation passport fee.....		1,000,000
Reinstatement fees - operator licenses.....		2,362,100
Snowmobile registration fee revenue		390,600
Thomas Daley gift of life fund.....		50,000
Transportation administration collection fund.....		59,534,900
Vehicle theft prevention fees.....		743,600
State general fund/general purpose	\$	3,686,800
(6) ELECTION REGULATION		
Full-time equated classified positions.....	45.0	
Election administration and services—45.0 FTE positions	\$	7,100,300
County clerk education and training fund		100,000
Fees to local units.....		109,800
GROSS APPROPRIATION	\$	7,310,100
Appropriated from:		
Special revenue funds:		
Notary education and training fund.....		100,000
Notary fee fund.....		344,100
State general fund/general purpose	\$	6,866,000
(7) DEPARTMENTWIDE APPROPRIATIONS		
Building occupancy charges/rent	\$	9,540,700
Worker's compensation		264,600
GROSS APPROPRIATION	\$	9,805,300
Appropriated from:		
Special revenue funds:		
Auto repair facilities fees		134,300
Driver fees		711,400
Enhanced driver license and enhanced official state personal identification card fund		26,200
Parking ticket court fines.....		445,000
Transportation administration collection fund.....		5,909,700
State general fund/general purpose	\$	2,578,700
(8) INFORMATION TECHNOLOGY		
Information technology services and projects.....	\$	21,969,900
GROSS APPROPRIATION	\$	21,969,900
Appropriated from:		
Special revenue funds:		
Administrative order processing fee.....		11,700
Auto repair facilities fees		190,200
Driver fees		788,300

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Enhanced driver license and enhanced official state personal identification card fund	\$	269,800
Expedient service fees.....		1,086,300
Parking ticket court fines.....		87,600
Personal identification card fees		171,900
Reinstatement fees - operator licenses.....		593,000
Transportation administration collection fund.....		17,023,500
Vehicle theft prevention fees.....		181,200
State general fund/general purpose	\$	1,566,400

Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions.....	2,817.0	
GROSS APPROPRIATION		\$ 1,262,810,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		677,671,700
ADJUSTED GROSS APPROPRIATION		\$ 585,138,700
Federal revenues:		
Total federal revenues		7,974,100
Special revenue funds:		
Total local revenues.....		3,553,700
Total private revenues.....		190,400
Total other state restricted revenues		94,322,000
State general fund/general purpose		\$ 479,098,500
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose.....	460,848,200	
One-time state general fund/general purpose	18,250,300	

(2) EXECUTIVE DIRECTION

Full-time equated unclassified positions	6.0	
Full-time equated classified positions.....	12.0	
Unclassified positions—6.0 FTE positions.....		\$ 824,600
Executive operations—12.0 FTE positions		2,269,800
GROSS APPROPRIATION		\$ 3,094,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy and parking charges		207,500
IDG from technology user fees.....		1,918,700
Special revenue funds:		
Special revenue, internal service, and pension trust funds		300,000
State general fund/general purpose		\$ 668,200

(3) DEPARTMENT SERVICES

Full-time equated classified positions.....	708.5	
Administrative services—132.5 FTE positions.....		\$ 17,611,900
Budget and financial management—135.0 FTE positions		17,667,800
Office of the state employer—23.0 FTE positions		3,374,400
Design and construction services—40.0 FTE positions.....		6,388,900
Business support services—91.0 FTE positions		10,476,400
Building operation services—210.0 FTE positions.....		91,352,000
Building occupancy charges, rent, and utilities.....		6,862,800
Motor vehicle fleet—35.0 FTE positions.....		67,669,300
Information technology services and projects.....		29,574,700
Bureau of labor market information and strategies—42.0 FTE positions.....		5,387,200
GROSS APPROPRIATION		\$ 256,365,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from accounting service centers user charges		2,690,800
IDG from building occupancy and parking charges		93,505,200
IDG from MDLARA		100,000

		For Fiscal Year Ending Sept. 30, 2015
IDG from motor transport fund.....	\$	67,669,300
IDG from MDCH.....		482,900
IDG from MDHS		213,500
IDG from user fees.....		6,703,600
IDG from technology user fees.....		7,949,100
Federal revenues:		
Federal funds.....		4,905,000
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees		20,800
Deferred compensation.....		2,600
Health management funds.....		2,176,900
MAIN user charges.....		4,434,600
Pension trust funds		7,427,000
Special revenue, internal service, and pension trust funds		16,845,100
State restricted indirect funds		3,383,900
State general fund/general purpose.....	\$	37,855,100
(4) TECHNOLOGY SERVICES		
Full-time equated classified positions.....	1,474.5	
Education services—29.0 FTE positions.....	\$	4,108,700
Health and human services—617.5 FTE positions.....		285,947,700
Public protection—154.5 FTE positions		50,407,600
Resources services—146.5 FTE positions		19,254,400
Transportation services—89.5 FTE positions		30,446,000
General services—324.5 FTE positions		90,562,100
Enterprisewide information technology investment projects		11,400,000
General government and public safety information technology investment projects.....		28,600,000
Health and human services information technology investment projects		6,000,000
MAIN system replacement information technology investment projects		17,000,000
Homeland security initiative/cyber security—13.0 FTE positions.....		9,068,200
Michigan public safety communications system—100.0 FTE positions.....		41,859,000
GROSS APPROPRIATION	\$	594,653,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from technology user fees		480,726,500
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees		2,212,100
State general fund/general purpose	\$	111,715,100
(5) STATEWIDE APPROPRIATIONS		
Professional development fund - AFSCME.....	\$	50,000
Professional development fund - MPE, SEIU, scientific and engineering unit.....		125,000
Professional development fund - NEREs		200,000
Professional development fund - UAW		720,000
GROSS APPROPRIATION	\$	1,095,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from employer contributions		1,095,000
State general fund/general purpose	\$	0
(6) SPECIAL PROGRAMS		
Full-time equated classified positions.....	176.0	
Building occupancy charges - property management services for executive/legislative building occupancy	\$	1,124,600
Retirement services—162.0 FTE positions		25,983,700
Office of children's ombudsman—14.0 FTE positions.....		1,771,800
Public private partnership		1,500,000
Regional prosperity grants		2,500,000
GROSS APPROPRIATION	\$	32,880,100
Appropriated from:		
Special revenue funds:		
Deferred compensation.....		1,542,400

		For Fiscal Year Ending Sept. 30, 2015
Pension trust funds	\$	19,196,500
Public private partnership investment fund.....		1,500,000
State general fund/general purpose	\$	10,641,200
(7) STATE BUILDING AUTHORITY RENT		
State building authority rent - state agencies	\$	58,405,800
State building authority rent - department of corrections		44,879,900
State building authority rent - universities.....		124,825,300
State building authority rent - community colleges.....		26,459,600
GROSS APPROPRIATION	\$	254,570,600
Appropriated from:		
State general fund/general purpose	\$	254,570,600
(8) CIVIL SERVICE COMMISSION		
Full-time equated classified positions.....	446.0	
Agency services—74.0 FTE positions	\$	12,601,900
Executive direction—40.0 FTE positions		9,403,400
Employee benefits—16.0 FTE positions		5,671,200
Training.....		1,300,000
Human resources operations—316.0 FTE positions		35,766,900
Information technology services and projects.....		4,385,800
GROSS APPROPRIATION	\$	69,129,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG, training charges		1,300,000
IDG, 1% special funds.....		3,337,900
Federal revenues:		
Federal funds 1%.....		3,069,100
Special revenue funds:		
Local funds 1%		1,320,800
Private funds 1%.....		190,400
State restricted funds 1%.....		21,244,900
State restricted indirect funds		7,700,200
State sponsored group insurance.....		2,743,100
State sponsored group insurance, flexible spending accounts and COBRA.....		5,824,800
State general fund/general purpose	\$	22,398,000
(9) CAPITAL OUTLAY		
Major special maintenance, remodeling, and additions for state agencies.....	\$	2,000,000
Enterprisewide special maintenance for state facilities		23,000,000
GROSS APPROPRIATION	\$	25,000,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy charges.....		2,000,000
State general fund/general purpose	\$	23,000,000
(10) ONE-TIME BASIS ONLY APPROPRIATIONS		
Regional prosperity grants	\$	1,000,000
Capital outlay - enterprisewide special maintenance for state facilities.....		7,000,000
Technology services funding.....		6,900,300
Litigation fund.....		4,000,000
Office of urban initiatives		5,000,000
Michigan business one stop - depreciation.....		871,700
Special projects		1,250,000
GROSS APPROPRIATION	\$	26,022,000
Appropriated from:		
Interdepartmental grant revenues:		
Interdepartmental grant revenues.....		7,771,700
Special revenue funds:		
State general fund/general purpose	\$	18,250,300

Sec. 108. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	10.0	
Full-time equated classified positions	2,619.5	
GROSS APPROPRIATION		\$ 2,948,023,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		9,409,100
ADJUSTED GROSS APPROPRIATION		\$ 2,938,614,600
Federal revenues:		
Total federal revenues		667,075,700
Special revenue funds:		
Total local revenues		6,416,000
Total private revenues		5,678,000
Total other state restricted revenues		1,745,389,100
State general fund/general purpose		\$ 514,055,800
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose	431,005,800	
One-time state general fund/general purpose	83,050,000	

(2) EXECUTIVE DIRECTION

Full-time equated unclassified positions	10.0	
Full-time equated classified positions	16.0	
Unclassified positions—10.0 FTE positions		\$ 1,099,500
Executive direction and operations—16.0 FTE positions		3,008,400
GROSS APPROPRIATION		\$ 4,107,900

Appropriated from:

Federal revenues:		
DED-OPSE, federal lenders allowance		20,000
DED-OPSE, higher education act of 1965, insured loans		45,000
Special revenue funds:		
Delinquent tax collection revenue		1,330,600
Michigan state housing development authority fees and charges		258,100
State lottery fund		281,600
State services fee fund		319,900
State general fund/general purpose		\$ 1,852,700

(3) DEPARTMENTWIDE APPROPRIATIONS

Rent and building occupancy charges - property management services	\$ 5,948,800
Worker's compensation insurance premium	129,200
GROSS APPROPRIATION	\$ 6,078,000

Appropriated from:

Special revenue funds:		
Delinquent tax collection revenue		2,945,200
State general fund/general purpose		\$ 3,132,800

(4) LOCAL GOVERNMENT PROGRAMS

Full-time equated classified positions	111.0	
Supervision of the general property tax law—86.0 FTE positions		\$ 18,817,500
Property tax assessor training—4.0 FTE positions		1,031,900
Local finance—21.0 FTE positions		2,571,200
GROSS APPROPRIATION		\$ 22,420,600

Appropriated from:

Special revenue funds:		
Local - assessor training fees		1,031,900
Local - audit charges		810,600
Local - equalization study chargebacks		40,000
Local - revenue from local government		100,000
Delinquent tax collection revenue		1,494,300
Land reutilization fund		5,304,500
Municipal finance fees		534,900
State general fund/general purpose		\$ 13,104,400

(5) TAX PROGRAMS

Full-time equated classified positions	811.0	
Tax compliance—345.0 FTE positions		\$ 45,452,100
Tax and economic policy—93.0 FTE positions		13,100,000
Tax processing—345.0 FTE positions		36,932,300
Health insurance claims fund—15.0 FTE positions		2,033,800
Home heating assistance		3,023,400
Bottle act implementation		250,000
Tobacco tax enforcement—13.0 FTE positions		1,579,500
GROSS APPROPRIATION		\$ 102,371,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		2,300,000
IDG from MDOT, state aeronautics fund		71,000
Federal revenues:		
HHS-SSA, low-income energy assistance		3,023,400
Special revenue funds:		
Bottle deposit fund		250,000
Delinquent tax collection revenue		70,170,400
Emergency 911 fund		156,200
Health insurance claims assessment fund		2,033,800
Tobacco tax revenue		4,027,700
Waterways fund		105,100
State general fund/general purpose		\$ 20,233,500

(6) FINANCIAL AND ADMINISTRATIVE SERVICES

Full-time equated classified positions	383.0	
Department and budget services—88.0 FTE positions		\$ 9,001,700
Unclaimed property—29.0 FTE positions		4,772,800
Office of collections—203.0 FTE positions		26,303,200
Office of accounting services—24.0 FTE positions		2,441,900
Office of financial services—39.0 FTE positions		4,396,900
GROSS APPROPRIATION		\$ 46,916,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from accounting service center user charges		484,200
IDG from MDHS, title IV-D		764,700
IDG, levy/warrant cost assessment fees		2,000,000
IDG, state agency collection fees		2,892,100
IDG, data/collection services fees		290,800
Special revenue funds:		
Delinquent tax collection revenue		27,127,700
Escheats revenue		4,772,800
Garnishment fees		2,487,900
Justice system fund		479,400
State restricted indirect funds		273,000
Treasury fees		46,200
State general fund/general purpose		\$ 5,297,700

(7) FINANCIAL PROGRAMS

Full-time equated classified positions	211.5	
Investments—82.0 FTE positions		\$ 20,321,700
John R. Justice grant program		287,700
Common cash and debt management—22.5 FTE positions		1,633,600
Dual enrollment payments		1,005,200
Student financial assistance programs—25.5 FTE positions		2,695,000
Michigan finance authority - bond finance programs—72.5 FTE positions		38,728,000
Financial independence team—9.0 FTE positions		4,500,000
GROSS APPROPRIATION		\$ 69,171,200

Appropriated from:		
Interdepartmental grant revenues:		
IDG, fiscal agent service fees	\$	206,300
Federal revenues:		
DED-OPSE, federal lenders allowance		10,626,700
DED-OPSE, higher education act of 1965, insured loans		25,082,800
Federal - John R. Justice grant		287,700
Special revenue funds:		
Defined contribution administrative fee revenue		100,000
MFA, bond and loan program revenue		3,018,500
Michigan merit award trust fund		1,143,200
Retirement funds		18,814,400
School bond fees		837,600
Treasury fees		1,619,500
State general fund/general purpose	\$	7,434,500
(8) DEBT SERVICE		
Quality of life bond	\$	81,360,000
Clean Michigan initiative		57,224,000
Great Lakes water quality bond		13,811,000
GROSS APPROPRIATION	\$	152,395,000
Appropriated from:		
Special revenue funds:		
State general fund/general purpose	\$	152,395,000
(9) GRANTS		
Convention facility development distribution	\$	90,950,000
Senior citizen cooperative housing tax exemption program		12,020,000
Emergency 911 payments		27,000,000
Facility for rare isotope beams debt service		7,300,000
Health and safety fund grants		9,000,000
GROSS APPROPRIATION	\$	146,270,000
Appropriated from:		
Special revenue funds:		
Emergency 911 fund		27,000,000
Convention facility development fund		90,950,000
Health and safety fund		9,000,000
State general fund/general purpose	\$	19,320,000
(10) BUREAU OF STATE LOTTERY		
Full-time equated classified positions	183.0	
Lottery operations—183.0 FTE positions	\$	24,273,400
Promotion and advertising		18,622,000
Lottery information technology services and projects		5,211,100
GROSS APPROPRIATION	\$	48,106,500
Appropriated from:		
Special revenue funds:		
State lottery fund		48,106,500
State general fund/general purpose	\$	0
(11) CASINO GAMING		
Full-time equated classified positions	129.0	
Michigan gaming control board	\$	50,000
Casino gaming control administration—119.0 FTE positions		25,269,400
Casino gaming information technology services and projects		1,984,400
Racing commission—10.0 FTE positions		2,352,400
GROSS APPROPRIATION	\$	29,656,200
Appropriated from:		
Special revenue funds:		
Casino gambling agreements		814,500
Equine development fund		2,475,400
Laboratory fees		700,000
State services fee fund		25,666,300
State general fund/general purpose	\$	0

(12) PAYMENTS IN LIEU OF TAXES

Commercial forest reserve.....	\$	3,207,700
Purchased lands		7,298,400
Swamp and tax reverted lands		10,668,800
GROSS APPROPRIATION	\$	21,174,900

Appropriated from:

Special revenue funds:

Private funds		23,100
Game and fish protection fund		2,527,900
Michigan natural resources trust fund		1,735,500
Michigan state waterways fund		219,100
State general fund/general purpose	\$	16,669,300

(13) MICHIGAN STRATEGIC FUND

Full-time equated classified positions.....403.0

Administrative services—22.0 FTE positions.....	\$	3,131,700
Job creation services—139.0 FTE positions		19,021,100
Pure Michigan		29,000,000
Entrepreneurship eco-system		25,000,000
Business attraction and community revitalization		112,100,000
Community ventures—7.0 FTE positions.....		9,800,000
Michigan film office—6.0 FTE positions		891,900
Film incentives		25,000,000
Energy programs.....		3,610,900
Community development block grants		47,000,000
Arts and cultural program.....		10,150,000
GEAR-UP program grants.....		4,730,700
Carl D. Perkins grants.....		19,000,000
Adult basic education.....		20,000,000
Adult education—16.0 FTE positions		2,939,800
Postsecondary education—9.0 FTE positions		2,064,300
Employment services—125.0 FTE positions.....		35,166,900
Workforce development agency administrative services—22.0 FTE positions		1,740,400
Workforce program administration—57.0 FTE positions		13,404,400
Workforce development programs		250,819,100
Welfare-to-work programs.....		75,357,200
Community college skilled trades equipment program		4,600,000
Workforce development agency rent and property management		870,500
Skilled trades training program.....		10,000,000
Information technology services and projects.....		925,000
GROSS APPROPRIATION	\$	726,323,900

Appropriated from:

Federal revenues:

DAG, employment and training		3,500,000
DED-OESE, GEAR-UP.....		4,730,700
DED-OVAE, adult education		20,000,000
DED-OVAE, basic grants to states		19,000,000
DOE-OEERE, multiple grants.....		3,796,800
DOL-ETA, workforce investment act.....		174,003,300
DOL, federal funds.....		112,800,000
Federal funds.....		5,950,000
Social security act, temporary assistance to needy families.....		64,898,800
NFAH-NEA, promotion of the arts, partnership agreements.....		1,050,000
HUD-CPD, community development block grant.....		49,780,700

Special revenue funds:

Local revenues		4,433,500
Private funds		5,274,900
Private - oil overcharge.....		30,000

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Private - special project advances.....	\$	250,000
Private - Michigan council for the arts fund.....		100,000
Industry support fees		5,500
Defaulted loan collection fees		150,000
Michigan film promotion fund		654,800
Public utility assessments		872,400
21st century jobs trust fund		75,000,000
State general fund/general purpose	\$	180,042,500

(14) REVENUE SHARING

Constitutional state general revenue sharing grants	\$	758,272,400
City, village, and township revenue sharing.....		243,040,000
County incentive program		42,240,000
County revenue sharing		168,960,000
Financially distressed cities, villages, or townships.....		5,000,000
GROSS APPROPRIATION	\$	1,217,512,400

Appropriated from:

Sales tax		1,217,512,400
State general fund/general purpose	\$	0

(15) MICHIGAN STRATEGIC FUND - MICHIGAN STATE HOUSING

DEVELOPMENT AUTHORITY

Full-time equated classified positions	353.0	
Payments on behalf of tenants	\$	166,860,000
Housing and rental assistance—347.0 FTE positions.....		57,957,900
Land bank fast track authority—6.0 FTE positions		5,250,000
Lighthouse preservation program.....		307,500
Rent and administrative support.....		3,870,700
Michigan state housing development authority technology services and projects		3,559,900
GROSS APPROPRIATION	\$	237,806,000

Appropriated from:

Federal revenues:

Federal funds.....		1,000,000
HUD, lower income housing assistance.....		166,860,000

Special revenue funds:

Michigan state housing development authority fees and charges		65,388,500
Michigan lighthouse preservation fund		307,500
Land bank fast track fund.....		300,000
State general fund/general purpose	\$	3,950,000

(16) STATE BUILDING AUTHORITY

Full-time equated classified positions	4.0	
State building authority—4.0 FTE positions	\$	712,400
GROSS APPROPRIATION	\$	712,400

Appropriated from:

Special revenue funds:

State building authority revenue.....		712,400
State general fund/general purpose	\$	0

(17) INFORMATION TECHNOLOGY

Treasury operations information technology services and projects.....	\$	25,151,100
GROSS APPROPRIATION	\$	25,151,100

Appropriated from:

Interdepartmental grant revenues:

IDG from MDOT, Michigan transportation fund		400,000
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Federal revenues:

DED-OPSE, federal lenders allowance		619,800
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Special revenue funds:

Delinquent tax collection revenue		15,671,400
Tobacco tax revenue.....		127,700
Retirement funds.....		758,800

		For Fiscal Year Ending Sept. 30, 2015
State general fund/general purpose	\$	7,573,400
(18) ONE-TIME BASIS ONLY APPROPRIATIONS		
Full-time equated classified positions	15.0	
City, village, and township revenue sharing	\$	5,800,000
Financially distressed cities, villages, or townships		3,000,000
MSF, film incentives		25,000,000
MSF, business attraction and community revitalization		17,900,000
MSF, automotive, engineering and manufacturing technology fund		2,000,000
MSF, special grants		15,750,000
Credit card payment service—6.0 FTE positions		500,000
Personal property tax reform—9.0 FTE positions		20,800,000
Treasury, city of Flint police and fire safety grant		1,100,000
GROSS APPROPRIATION	\$	91,850,000
Appropriated from:		
Special revenue funds:		
Sales tax		8,800,000
State general fund/general purpose	\$	83,050,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$3,259,556,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$1,434,623,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Fees to local units	\$	109,800
Motorcycle safety grants		1,251,000
Subtotal	\$	1,360,800

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption	\$	12,020,000
Health and safety fund grants		9,000,000
Constitutional state general revenue sharing grants		758,272,400
City, village, and township revenue sharing		248,840,000
Convention facility development fund distribution		90,950,000
Emergency 9-1-1 payments		27,000,000
Financially distressed cities, villages, or townships		8,000,000
County incentive program		42,240,000
County revenue sharing payments		168,960,000
Airport parking distribution pursuant to section 909		16,280,300
Payments in lieu of taxes		21,174,900
Personal property tax reform		19,300,000
Welfare-to-work programs		11,224,800
Subtotal	\$	1,433,262,400
TOTAL GENERAL GOVERNMENT	\$	1,434,623,200

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2014-2015 is estimated at \$30,123,412,800.00 in the 2014-2015 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2014-2015 is estimated at \$16,428,104,600.00. The state-local proportion is estimated at 54.5% of total state spending from state resources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2014-2015 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2014-2015 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2014-2015.

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "AFSCME" means American federation of state, county, and municipal employees.
- (b) "ATM" means automated teller machine.
- (c) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.
- (d) "DAG" means the United States department of agriculture.
- (e) "DED" means the United States department of education.
- (f) "DED-OESE" means the DED office of elementary and secondary education.
- (g) "DED-OPSE" means the DED office of postsecondary education.
- (h) "DED-OVAE" means the DED office of vocational and adult education.
- (i) "DOE-OEERE" means the United States department of energy, office of energy efficiency and renewable energy.
- (j) "DOL-ETA" means the United States department of labor, employment and training administration.
- (k) "EEOC" means the United States equal employment opportunity commission.
- (l) "EPA" means the United States environmental protection agency.
- (m) "FTE" means full-time equated.
- (n) "Fund" means the Michigan strategic fund.
- (o) "GEAR-UP" means gaining early awareness and readiness for undergraduate programs.
- (p) "GED" means a general educational development certificate.
- (q) "GF/GP" means general fund/general purpose.
- (r) "HAVA" means help America vote act.
- (s) "HHS" means the United States department of health and human services.
- (t) "HHS-OS" means the HHS office of the secretary.
- (u) "HHS-SSA" means the HHS social security administration.
- (v) "HUD" means the United States department of housing and urban development.
- (w) "HUD-CPD" means the United States department of housing and urban development - community planning and development.
- (x) "IDG" means interdepartmental grant.
- (y) "JCOS" means the joint capital outlay subcommittee.
- (z) "MAIN" means the Michigan administrative information network.
- (aa) "MCL" means the Michigan Compiled Laws.
- (bb) "MDCH" means the Michigan department of community health.
- (cc) "MDE" means the Michigan department of education.
- (dd) "MDLARA" means the Michigan department of licensing and regulatory affairs.
- (ee) "MDEQ" means the Michigan department of environmental quality.
- (ff) "MDHS" means the Michigan department of human services.
- (gg) "MDMVA" means the Michigan department of military and veterans affairs.
- (hh) "MDOT" means the Michigan department of transportation.
- (ii) "MDSP" means the Michigan department of state police.
- (jj) "MDTMB" means the Michigan department of technology, management, and budget.
- (kk) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

- (ll) "MFA" means the Michigan finance authority.
- (mm) "MPE" means the Michigan public employees.
- (nn) "MSF" means the Michigan strategic fund.
- (oo) "MSHDA" means Michigan state housing development authority.
- (pp) "NERE" means nonexclusively represented employees.
- (qq) "NFAH-NEA" means the national foundation of the arts and the humanities - national endowment for the arts.
- (rr) "PA" means public act.
- (ss) "PATH" means partnership, accountability, training, and hope.
- (tt) "RFI" means a request for information.
- (uu) "RFP" means a request for a proposal.
- (vv) "RFQ" means a request for qualifications.
- (ww) "SEIU" means service employees international union.
- (xx) "WDA" means the workforce development agency.
- (yy) "WIC" means women, infants, and children.

Sec. 206. The departments and agencies receiving appropriations in part 1 shall cooperate with the department of technology, management, and budget to maintain a searchable website that is updated at least quarterly and that is accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 207. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The director of each department and agency receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Michigan personal income (millions)	\$388,053	\$400,859	\$418,096
less: transfer payments	<u>85,163</u>	<u>88,825</u>	<u>94,510</u>
Subtotal.....	\$302,890	\$312,034	\$323,586
Divided by: Detroit Consumer Price Index for 12 months ending June 30..	2.182	2.206	2.239
Equals: real adjusted Michigan personal income.....	\$138,813	\$141,448	\$144,517
Percentage change	N/A	1.9%	2.2%
Growth rate in excess of 2%?.....	N/A	NO	0.2%
Equals: countercyclical budget and economic stabilization fund pay-in calculation for the fiscal year ending September 30, 2015 (millions)	N/A	\$0.0	N/A
Growth rate less than 0%?.....	N/A	N/A	NO
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2015 (millions)	N/A	N/A	\$0.0

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2015, from general fund/general purpose revenue for deposit into the countercyclical budget and economic stabilization fund the sum of \$94,000,000.00.

Sec. 212. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 213. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 215. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate standing committees on appropriations, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 217. General fund appropriations in part 1 shall not be expended for items in cases where federal funding is available for the same expenditures.

Sec. 219. The departments and agencies receiving appropriations in part 1 shall maintain, on a publicly accessible website, a department or agency scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 221. Each department and agency shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house of representatives standing committees on appropriations subcommittees on general government, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 226. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 227. Within 14 days after the release of the executive budget recommendation, the departments and agencies receiving appropriations in part 1 shall cooperate with the state budget director to provide the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 229. If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the senate and house fiscal agencies.

Sec. 231. (1) It is the intent of the legislature that departments and agencies receiving appropriations in part 1 properly account for their spending and do not use FTE positions as placeholders for spending in other parts of their budgets.

(2) The departments and agencies receiving appropriations under part 1 shall provide a report to the legislature specifying the number of filled, FTE positions in pay status in the immediately preceding fiscal year by February 1. When reporting on the number of filled, FTE positions in pay status, the department or agency shall provide the maximum number of filled, FTE positions in pay status by appropriation line item in the last pay period of each quarter of the immediately preceding fiscal year. The report shall also include a listing of all funded, FTE positions by position title.

Sec. 233. In addition to the general fund/general purpose appropriations for special maintenance, remodeling, and addition - state facilities in part 1, there is also appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

Sec. 234. In addition to the general fund/general purpose appropriations for enterprisewide information technology investments in part 1, there is also appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

Sec. 235. No state department or agency shall issue an RFP for a contract in excess of \$5,000,000.00 unless the department or agency has first considered issuing an RFI or an RFQ relative to that contract to better enable the department or the agency to learn more about the market for the products or services that are the subject of the future RFP. The department or agency shall notify MDTMB of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

Sec. 239. The department of technology, management, and budget, with the assistance of the Michigan energy office as necessary, shall assess the energy performance of state-owned buildings so that state departments, agencies, and authorities are better able to identify priority projects for energy improvements that can be achieved with internal resources and energy savings performance contracts under the cost-effective governmental energy use act, 2012 PA 625, MCL 18.1711 to 18.1725.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 302. (1) The attorney general shall perform all legal services, including representation before courts and administrative agencies rendering legal opinions and providing legal advice to a principal executive department or state agency. A principal executive department or state agency shall not employ or enter into a contract with any other person for services described in this section.

(2) The attorney general shall defend judges of all state courts if a claim is made or a civil action is commenced for injuries to persons or property caused by the judge through the performance of the judge's duties while acting within the scope of his or her authority as a judge.

(3) The attorney general shall perform the duties specified in 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to 14.102, and as otherwise provided by law.

Sec. 303. The attorney general may sell copies of the biennial report in excess of the 350 copies that the attorney general may distribute on a gratis basis. Gratis copies shall not be provided to members of the legislature. Electronic copies of biennial reports shall be made available on the department of attorney general's website. The attorney general shall sell copies of the report at not less than the actual cost of the report and shall deposit the money received into the general fund.

Sec. 304. The department of attorney general is responsible for the legal representation for state of Michigan state employee worker's disability compensation cases. The risk management revolving fund revenue appropriation in part 1 is to be satisfied by billings from the department of attorney general for the actual costs of legal representation, including salaries and support costs.

Sec. 305. In addition to the funds appropriated in part 1, not more than \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of human services, the prosecuting attorneys association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States department of agriculture regulations and that, once earned by this state, the funds become state funds.

Sec. 306. Any proceeds from a lawsuit initiated by or settlement agreement entered into on behalf of this state against a manufacturer of tobacco products by the attorney general are state funds and are subject to appropriation as provided by law.

Sec. 307. (1) In addition to the antitrust revenues in part 1, antitrust, securities fraud, consumer protection or class action enforcement revenues, or attorney fees recovered by the department, not to exceed \$250,000.00, are appropriated to the department for antitrust, securities fraud, and consumer protection or class action enforcement cases.

(2) Any unexpended funds from antitrust, securities fraud, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, may be carried forward for expenditure in the following fiscal year up to the maximum authorization of \$250,000.00.

Sec. 308. (1) In addition to the funds appropriated in part 1, there is appropriated up to \$500,000.00 from litigation expense reimbursements awarded to the state.

(2) The funds may be expended for the payment of court judgments, settlements, arbitration awards or other administrative and litigation decisions, attorney fees, and litigation costs, assessed against the office of the governor, the department of the attorney general, the governor, or the attorney general when acting in an official capacity as the named party in litigation against the state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

(3) Unexpended funds at the end of the fiscal year may be carried forward for expenditure in the following year, up to a maximum authorization of \$500,000.00.

Sec. 309. From the prisoner reimbursement funds appropriated in part 1, the department may spend up to \$614,400.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners.

Sec. 310. (1) For the purposes of providing title IV-D child support enforcement funding, the department of human services, as the state IV-D agency, shall maintain a cooperative agreement with the attorney general for federal IV-D funding to support the child support enforcement activities within the office of the attorney general.

(2) The attorney general or his or her designee shall, to the extent allowable under federal law, have access to any information used by the state to locate parents who fail to pay court-ordered child support.

Sec. 312. The department of attorney general shall not receive and expend funds in addition to those authorized in part 1 for legal services provided specifically to other state departments or agencies except for costs for expert witnesses, court costs, or other nonsalary litigation expenses associated with a pending legal action.

Sec. 315. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$17,694,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$9,790,800.00. Total agency appropriations for retiree health care legacy costs are estimated at \$7,903,300.00.

Sec. 320. The department of attorney general shall provide a detailed work and spending plan for the appropriation in part 1 for sexual assault prosecutions outlining the anticipated litigation action and expenditures resulting from findings of the rape kit testing results discovered by Michigan state police upon the closure of the Detroit crime lab. The spending plan shall be transmitted to the state budget office, the senate and house fiscal agencies, and the senate and house of representatives standing committees on appropriations subcommittees on general government. The appropriation shall not be available for expenditure until the work plan is approved by the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government at least 15 days prior to release of the funds.

DEPARTMENT OF CIVIL RIGHTS

Sec. 401. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 402. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local or private sources for all of the following purposes:

- (a) Developing and presenting training for employers on equal employment opportunity law and procedures.
- (b) The publication and sale of civil rights related informational material.
- (c) The provision of copy material made available under freedom of information requests.
- (d) Other copy fees, subpoena fees, and witness fees.
- (e) Developing, presenting, and participating in mediation processes for certain civil rights cases.

(f) Workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.

(g) Staffing costs for all activities included in this subsection.

(2) The department of civil rights shall annually report to the state budget director, the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies the amount of funds received and expended for purposes authorized under this section.

Sec. 403. The department of civil rights may contract with local units of government to review equal employment opportunity compliance of potential contractors and may charge for and expend amounts received from local units of government for the purpose of developing and providing these contractual services.

Sec. 404. (1) The department of civil rights shall prepare and transmit a detailed report that includes, but is not limited to, the following information for the most recent fiscal year:

(a) A detailed description of the department operations.

(b) A detailed description of all subunits within the department, including FTE positions associated with each subunit, responsibilities of each subunit, and all revenues and expenditures for each subunit.

(c) The number of complaints by type of complaint.

(d) The average cost of, and time expended, investigating complaints.

(e) The percentage of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit.

(f) A listing of amounts awarded to claimants.

(g) Expenditures associated with complaint investigation and enforcement.

(h) A listing of complaint investigations closed per FTE position for each of the past 5 years.

(i) A listing of complaint evaluations completed per FTE position for each of the past 5 years.

(j) Productivity projections for the current fiscal year, including investigations closed per FTE, complaint evaluations completed per FTE, and average time expended investigating complaints.

(2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30 to the state budget director, the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies.

Sec. 405. The department of civil rights shall notify the office of the state budget, senate and house of representatives standing committees on appropriations, and senate and house fiscal agencies prior to submitting a report or complaint to the United States commission on civil rights or other federal departments.

Sec. 410. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$3,139,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$1,745,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$1,394,200.00.

LEGISLATURE

Sec. 600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

(2) Funds appropriated within the legislative branch, to a legislative council component, shall not be expended by any agency or other subgroup included in that component without the approval of the legislative council.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Farnum building and other properties.

Sec. 603. The appropriation contained in part 1 for national association dues is to be distributed by the legislative council.

Sec. 604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees shall be allocated by the Michigan state capitol commission.

Sec. 605. The appropriation in part 1 to the legislative council for publication of the Michigan manual is a work project account. The unexpended portion remaining on September 30 shall not lapse and shall be carried forward into the subsequent fiscal year for use in paying the associated biennial costs of publication of the Michigan manual.

Sec. 606. The appropriations in part 1 to the legislative branch, for property management, shall be used to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00, and the tentative completion date is September 30, 2019.

Sec. 607. The appropriations in part 1 to the legislative branch, for automated data processing, shall be used to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00, and the tentative completion date is September 30, 2019.

Sec. 608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year, and shall be carried forward for expenditure in the following fiscal years.

Sec. 609. The appropriations in part 1 from the capitol historic site fund do not take effect unless Senate Bill No. 678 of the 97th Legislature is enacted into law.

Sec. 615. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$22,824,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$12,198,100.00. Total agency appropriations for retiree health care legacy costs are estimated at \$10,626,800.00.

Sec. 618. It is the intent of the legislature that all administrative functions and associated funding for the Michigan legislative retirement system shall be transferred from the legislative council to the department of technology, management, and budget before the end of the 2014-2015 fiscal year.

LEGISLATIVE AUDITOR GENERAL

Sec. 620. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the judicial branch. The audits may include the supreme court and its administrative units, the court of appeals, and trial courts.

Sec. 621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

(2) The auditor general shall strongly encourage firms with which the auditor general contracts to perform audits of the principal executive departments and state agencies to subcontract with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities.

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities. The auditor general shall deliver the report to the state budget director and the senate and house of representatives standing committees on appropriations subcommittees on general government by November 1 of each year.

Sec. 622. From the funds appropriated in part 1 to the legislative auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed \$50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Audit Directive No. 29, which describes the office of the auditor general's policy on responding to legislative requests.

Sec. 625. From the funds appropriated in part 1 to the legislative auditor general, an amount not to exceed \$400,000.00 may be used for the hiring of up to 10 additional auditors for the specific purpose of providing audit support and oversight of this state's most critical information technology systems and services. Funds appropriated for this purpose shall be expended for salaries and wages, fringe benefits, supplies, and equipment necessary to provide the appropriate audit support and oversight. Any unobligated balance of the funds received shall revert to the general fund of this state at the close of the fiscal year.

DEPARTMENT OF STATE

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$7,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 703. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$8.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section shall be deposited in the Michigan department of state publications fund created by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the department from a public source are allocated and may be expended upon receipt. The department shall not accept a gift, donation, contribution, or grant if receipt is conditioned upon a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended upon receipt.

(4) Any unexpended revenues received under this section shall be carried over into subsequent fiscal years and shall be available for appropriation for the purposes described in this section.

(5) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following information:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under this section for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the department under this section for the prior year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department of state may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Sec. 707. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of \$332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 710. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in addition to the amount appropriated in part 1 to the department of state, shall remain in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, and be available for future appropriation.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Sec. 713. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(5) The pamphlet shall include a return reply form addressed to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

(6) In addition to the appropriations in part 1, the department of state may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Sec. 716b. The department of state shall provide a report that calculates the total amount of funds expended for the business application modernization project to date from the inception of the program. The report shall contain information on the original start and completion dates for the project, the original cost to complete the project, and a listing of all revisions to project completion dates and costs. The report shall include the total amount of funds paid to the state by the contract provider for penalties. The report shall be submitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 717. (1) The department of state may accept nonmonetary gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution.

(2) The department of state shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall list any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 718. From the funds appropriated in part 1 to the department of state, branch operations, the department shall maintain a full service secretary of state branch office in Buena Vista Township.

Sec. 721. From the funds appropriated in part 1, the department of state may collect ATM commission fees from companies that have ATMs located in secretary of state branch offices. The commission received from the use of these ATMs shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$32,541,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$18,188,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$14,353,600.00.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 801. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$4,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$8,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$150,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department of technology, management, and budget to offset costs incurred in the acquisition and distribution of federal surplus property. The department of technology, management, and budget shall provide consolidated Internet auction services through the state's contractors for all local units of government.

Sec. 803. (1) The department of technology, management, and budget may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department of technology, management, and budget.

(2) The department of technology, management, and budget may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, or the judicial branch.

(3) The department of technology, management, and budget may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department of technology, management, and budget may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 804. (1) The source of financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department of technology, management, and budget. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the department of technology, management, and budget may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the department of technology, management, and budget appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the department of technology, management, and budget, the department may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the department of technology, management, and budget under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. The source of financing in part 1 for the Michigan administrative information network shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Sec. 808. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department of technology, management, and budget. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the department of technology, management, and budget, for management and budget services from building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 808a. (1) The department of technology, management, and budget in conjunction with the state budget office shall not charge building occupancy rates to a state department or agency for unoccupied space if the department or agency has submitted a notice to the department of technology, management, and budget and the state budget office to vacate the property at least 12 months prior to the date to vacate. If the state department or agency does not vacate the property by the end of the notification date, the state department or agency shall be charged building occupancy rates for that space for time the space is occupied beyond the 12-month notice date to vacate.

(2) The department of technology, management, and budget in conjunction with the state budget office shall require state departments or agencies to pay building occupancy rates when moving into a building managed by the department of technology, management, and budget at the beginning of the start of the fiscal year immediately following building occupancy.

Sec. 809. The department of technology, management, and budget shall notify the chairpersons of the senate and house of representatives standing committees on appropriations and the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government on any revisions that increase or decrease current contracts by more than \$500,000.00 for computer software development, hardware acquisition, or quality assurance at least 14 days before the department of technology, management, and budget finalizes the revisions.

Sec. 810. The department of technology, management, and budget shall maintain an Internet website that contains notice of all invitations for bids and requests for proposals over \$50,000.00 issued by the department or by any state agency operating under delegated authority. The department shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the Internet website, except in situations where it would be in the best interest of the state and documented by the department. In addition to the requirements of this section, the department may advertise the invitations for bids and requests for proposals in any manner the department determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Sec. 811. The department of technology, management, and budget may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the department of technology, management, and budget for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the department. Revenue in excess of the amount appropriated in part 1 from the motor transport fund and any unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) Pursuant to the department of technology, management, and budget's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the department shall provide a report to the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies detailing the current plan and changes made to the plan during the fiscal year.

(4) The department of technology, management, and budget may charge state agencies for fuel cost increases that exceed \$3.04 per gallon of unleaded gasoline. The department shall notify state agencies, in writing or by electronic mail, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, when economically feasible, the department of technology, management, and budget will prioritize the utilization of remanufactured parts as the primary means of maintenance and repair for the state of Michigan's fleet of motor vehicles.

(6) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the department of technology, management, and budget in order to ensure that the appropriations for motor vehicle fleet in the department budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 814. The department of technology, management, and budget shall develop a plan regarding the use of the funds appropriated in part 1 for the enterprisewide information technology investment projects. The plan shall include, but not be limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the department deems necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies on a quarterly basis. The submitted plan shall also include anticipated spending reductions or overages for each of the proposed information

technology investment projects. The department of technology, management, and budget shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies when a project funded under an information technology investment project line item in part 1 is expected to require a transfer of dollars from another project in excess of \$500,000.00.

Sec. 815. (1) The department of technology, management, and budget shall review all existing and proposed capital improvement projects over \$500,000.00 for inclusion in an energy savings performance contract under the cost-effective governmental energy use act, 2012 PA 625, MCL 18.1711 to 18.1725.

(2) By February 15, 2015, the department of technology, management, and budget shall report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on the use of energy savings performance contracts. At a minimum, the report shall identify each capital improvement project over \$500,000.00 and for each project listed, include the following information:

(a) A brief project description.

(b) Whether the project was included in an energy savings performance contract, and if not, a brief explanation of why the project was not included in an energy savings performance contract.

(c) If applicable, identification of the energy savings performance contract and the qualified energy service provider under the contract.

(d) If included in an energy savings performance contract, an estimate of the energy savings to be achieved.

(e) If included in an energy savings performance contract, the cost of inclusion in the contract.

Sec. 816. An RFP issued for the purpose of privatization shall include all factors used in evaluating and determining price.

Sec. 817. The department of technology, management, and budget may require that any vendor or subcontractor providing call or contact center services to the state of Michigan disclose to inbound callers the location from which the call or contact center services are being provided.

Sec. 818. In addition to the funds appropriated in part 1, the department of technology, management, and budget may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Sec. 819. In addition to the funds appropriated in part 1, the department of technology, management, and budget may receive and expend money from the Ronald Wilson Reagan memorial monument fund as provided in the Ronald Wilson Reagan memorial monument fund commission act, 2004 PA 489, MCL 399.261 to 399.266.

Sec. 820. The department shall make available to the public a list of all parcels of real property owned by the state that are available for purchase. The list shall be posted on the Internet through the department's website.

Sec. 821. The department of technology, management, and budget shall annually update the office space consolidation project plan, including the use of the funds appropriated pursuant to 2012 PA 200 for the space consolidation fund. By February 15, the department shall report to the senate and house of representatives committees on appropriations subcommittees on general government and the senate and house fiscal agencies on the revised plan and plan implementation. The report shall include, but is not limited to, the description of the proposed office space to be consolidated, the time frame for completion of the office space consolidation, the proposed itemized cost of the office space consolidation, the number of employees assigned to implement the office space consolidation, the contracts entered into for the office space consolidation, information on completed projects, anticipated savings, savings achieved, and any other information the department deems necessary.

Sec. 822. The department of technology, management, and budget shall compile a report by January 1 pertaining to the salaries of unclassified employees, as well as gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and his or her annual salary individually. The report shall be distributed to the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies.

Sec. 822d. (1) A public-private partnership investment fund is created in MDTMB. Subject to subsections (2) and (3), public-private partnership investments shall include, but are not limited to, all of the following:

(a) Capital asset improvements including buildings, land, or structures.

(b) Energy resource exploration, extraction, generation, and sales.

(c) Financial and investment incentive opportunities.

(d) Infrastructure construction, maintenance, and operation.

(e) Public-private sector joint ventures that provide economic benefit to an area or to the state.

(2) Public-private investments shall not include projects, consultant expenses, staff effort, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

(3) The state budget director shall determine whether or not a specific public-private partnership investment opportunity qualifies for funding under subsection (1).

(4) Investment development revenue, including a portion of the proceeds from the sale of any public-private partnership investment designated in subsection (1), shall be deposited into the fund created in subsection (1) and shall be available for administration, development, financing, marketing, and operating expenditures associated with public-private partnerships, unless otherwise provided by law. Public-private partnership investments authorized in subsection (1) are authorized for public or private operation or sale consistent with state law. Expenditures from the fund are authorized for investment purposes as designated in subsection (1) to enhance the marketable value of each investment. The unencumbered balance remaining in the fund at the end of the fiscal year may be carried forward for appropriation in future years.

(5) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) Public-private partnership investments as identified under subsection (1).

(6) MDTMB shall monitor the revenue deposited in the public-private partnership investment fund created in subsection (1). If the revenue in the fund is insufficient to pay the amount appropriated in part 1 for public-private partnership investment, then MDTMB shall propose a legislative transfer to fund the line from the appropriations in part 1.

Sec. 822e. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 822f. By December 31, 2014, the department shall provide a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the department during fiscal year 2015-2016. The report shall also identify changes from fees and rates charged in fiscal year 2014-2015 and include an explanation of the factors that justify each fee and rate increase.

Sec. 822g. The department of technology, management, and budget shall provide assistance as necessary to the department of state police regarding discussions with the city of Wayland on a potential partnership between the city and the department of state police for a joint public safety building located in that city.

Sec. 822h. The department of technology, management, and budget, working jointly with the department of state police, shall review and evaluate the feasibility of repurposing the one division building in Grand Rapids for a new state police crime laboratory. By January 1, 2015, the department of technology, management, and budget shall report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on the results of that review, including matters considered, any recommendations, and the reasons for those recommendations.

Sec. 822i. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$81,943,200.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$45,810,900.00. Total agency appropriations for retiree health care legacy costs are estimated at \$36,132,300.00.

INFORMATION TECHNOLOGY

Sec. 823. (1) The department of technology, management, and budget may sell and accept paid advertising for placement on any state website under its jurisdiction. The department shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the department. Revenue received under this subsection shall be

used for operating costs of the department and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall be deposited in the state general fund.

(2) The department of technology, management, and budget may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state webpages or services offered on those webpages. A private or public funding source may receive recognition in the webpage. The department of technology, management, and budget may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the department of technology, management, and budget under subsection (1) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given.

Sec. 824. The department of technology, management, and budget may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of technology, management, and budget may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The department of technology, management, and budget may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the department shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government, detailing the sources of funding and expenditures made under this section.

Sec. 825. The legislature shall have access to all historical and current data contained within MAIN pertaining to state departments. State departments shall have access to all historical and current data contained within MAIN.

Sec. 826. When used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

- (a) Application and mobile development and maintenance.
- (b) Desktop computer support and management.
- (c) Cyber security.
- (d) Social media.
- (e) Mainframe computer support and management.
- (f) Server support and management.
- (g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.
- (h) Information technology project management.
- (i) Information technology planning and budget management.
- (j) Telecommunication services, infrastructure, and support.

Sec. 827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department of technology, management, and budget shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees.

(3) All money received by the department of technology, management, and budget under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) The department of technology, management, and budget shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director on April 15 and on October 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communications system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 828. The department of technology, management, and budget shall submit a report for the immediately preceding fiscal year ending September 30 to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1. The report shall include the following:

- (a) The total amount of funding appropriated for information technology services and projects, by funding source, for all principal executive departments and agencies.

(b) A listing of the expenditures made from the amounts received by the department of technology, management, and budget as reported in subdivision (a).

Sec. 829. The department of technology, management, and budget shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Sec. 830. By December 31, the department shall provide a report that lists all information technology-related change orders and follow-on contracts, greater than \$50,000.00, whether they are bid, exercise options, or no-bid, and the amount of each change order or contract extension contract entered into by the department to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

Sec. 831. (1) The information, communications, and technology innovation fund, established pursuant to 2011 PA 63, 2012 PA 200, and 2013 PA 59, shall be administered by the department of technology, management, and budget for the purpose of providing a revolving, self-sustaining resource for financing information, communications, and technology innovation projects. From the funds appropriated to the information, communications, and technology innovation fund by 2011 PA 63, 2012 PA 200, and 2013 PA 59, or received by the information, communications, and technology innovation fund under subsections (2) and (3), the department of technology, management, and budget may issue loans to state agencies, local units of government, colleges and universities in this state, school districts, other public entities that provide public sector services, and nonprofit organizations that provide public sector services, as determined by the department of technology, management, and budget in support of information, communications, and technology innovation projects.

(2) In addition to funds appropriated by 2011 PA 63, 2012 PA 200, and 2013 PA 59, the information, communications, and technology innovation fund may accept contributions, gifts, bequests, devises, grants, and donations.

(3) In addition to the funds appropriated by 2011 PA 63, 2012 PA 200, and 2013 PA 59, money received by the department of technology, management, and budget as repayment of information, communications, and technology innovation project loans, or other reimbursement or revenue received by the department of technology, management, and budget as a result of information, communications, and technology innovation project loans, interest earned on that money, or subsection (2) revenue, shall be deposited in the information, communications, and technology innovation fund and is appropriated for information, communications, and technology innovation fund projects described in subsection (1). At the close of the fiscal year, any unencumbered funds remaining in the information, communications, and technology innovation fund shall remain in the fund and be carried forward into the succeeding fiscal year.

(4) This section is not effective if legislation is enacted that creates and provides for the administration and use of the information, communications, and technology innovation fund.

Sec. 832. (1) The department of technology, management, and budget shall inform the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 30 days of any potential or actual penalties assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If potential penalties are assessed by the federal government, the department of technology, management, and budget shall submit a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 90 days specifying the department's plans to avoid actual penalties and ensure federal certification of the Michigan child support enforcement system.

Sec. 833. (1) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the department of technology, management, and budget in order to ensure that the appropriations for information technology in the department budget equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the department of technology, management, and budget budget to accommodate an increase or decrease in spending authorization.

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the department of technology, management, and budget. The department may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 835. In addition to the funds appropriated in part 1, the funds collected by the department for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

Sec. 836. (1) From the funds appropriated in part 1 for information technology investment projects, the department shall conduct an analysis of public or private cloud computing technologies for new projects. The analysis shall include, but is not limited to, potential cost savings, data security, complexity, and improved information technology flexibility for the state. The department shall give preference to cloud computing technologies that present the highest opportunity for information technology savings and that have a proven track record.

(2) For existing projects or system upgrades, the department shall conduct an analysis of migrating the project to a cloud-based platform. The analysis shall include, but is not limited to, potential cost savings, data security, complexity, and improved information technology flexibility for the state. The department shall give preference to cloud computing technologies that present the highest opportunity for information technology savings.

Sec. 840. From the funds appropriated in part 1, the department, in consultation with the department of treasury, shall issue an RFP for a publicly accessible statewide online citizens guide and dashboard web service that offers access to state of Michigan reports and data from municipalities, local, and intermediate school districts as a common transparency solution and that has a fiscal stress warning system as a component. The RFP shall meet the requirements listed in section 958. For local and intermediate school districts, the web service shall provide access to revenue and expenditure data, statements of financial position, fiscal distress indicators, and miscellaneous reports such as enrollment, retirement rates, and long-term debt.

STATE BUILDING AUTHORITY RENT

Sec. 842. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of the state the amount necessary to pay such obligations.

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the commission is authorized to adjust financing sources for civil service charges based on actual payroll expenditures, provided that such adjustments do not increase the total appropriation for the civil service commission.

(3) The financing from restricted sources shall be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 851. Except where specifically appropriated for this purpose, financing from restricted sources shall be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy commission operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 865:

- (a) "Board" means the state administrative board.
- (b) "Community college" does not include a state agency or university.
- (c) "Department" means the department of technology, management, and budget.
- (d) "Director" means the director of the department of technology, management, and budget.
- (e) "Fiscal agencies" means the senate fiscal agency and the house fiscal agency.
- (f) "State agency" means an agency of state government. State agency does not include a community college or university.
- (g) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.
- (h) "University" means a 4-year university supported by the state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 862. (1) The department shall provide the JCOS, state budget director, and the senate and house fiscal agencies with reports as considered necessary relative to the status of each planning or construction project financed by the state building authority, by this part and part 1, or by previous acts.

(2) Before the end of each fiscal year, the department shall report to the JCOS, state budget director, and the senate and house fiscal agencies for each capital outlay project other than lump sums all of the following:

- (a) The account number and name of each construction project.
- (b) The balance remaining in each account.
- (c) The date of the last expenditure from the account.
- (d) The anticipated date of occupancy if the project is under construction.
- (e) The appropriations history for the project.
- (f) The professional service contractor.
- (g) The amount of the project financed with federal funds.
- (h) The amount of the project financed through the state building authority.
- (i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of each fiscal year, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

- (a) The name of the project and account number.
 - (b) Whether a program statement is approved.
 - (c) Whether schematics are approved by the department.
 - (d) Whether preliminary plans are approved by the department.
 - (e) The name of the professional service contractor.
- (4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is created in the department. As used in this section, "economic development sites" means those state-owned sites declared as surplus property pursuant to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to the state. The Michigan economic development corporation board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than \$25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

- (a) The revenue and expenditure activity in the fund for the preceding fiscal year.
- (b) The sites identified as economic development sites under subsection (1).

Sec. 866. For the state building authority financed construction authorization in part 1, the legislature hereby determines that the leasing of the facility from the authority is for a public purpose as authorized under 1964 PA 183, MCL 830.411 to 830.425. The legislature approves and authorizes the lease and conveyance of property to the state building authority, the state building authority acquiring the facility and leasing it to the state and the educational institution, as applicable, and the governor and secretary of state executing the lease for and on behalf of the state pursuant to the requirements of 1964 PA 183, MCL 830.411 to 830.425. Per the requirements of the lease, the legislature also agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the lease.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the amounts appropriated as required by this part and part 1. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous acts.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds shall be reduced in proportion to the amount of matching revenue received.

Sec. 875. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or board approval of the authorized project, the authorization may terminate. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS convenes to extend the authorization.

ONE-TIME APPROPRIATIONS

Sec. 890. (1) The funds appropriated in part 1 for the regional prosperity initiative are to be used as grants to eligible regional planning organizations qualifying for funding as a regional prosperity collaborative, a regional prosperity council, or a regional prosperity board. A regional planning organization may not qualify for funding under more than 1 category in the same state fiscal year. An eligible regional planning organization is defined under any of the following:

- (a) An existing regional planning commission pursuant to 1945 PA 281, MCL 125.11 to 125.25.
- (b) An existing regional economic development commission pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.
- (c) An existing metropolitan area council pursuant to 1989 PA 292, MCL 124.651 to 124.729.
- (d) A Michigan metropolitan planning organization pursuant to the moving ahead for progress in the 21st century act, Public Law 112-141.

(2) Regional planning organizations may qualify to receive not more than \$250,000.00 of incentive based funding as a regional prosperity collaborative subject to meeting all of the following requirements:

(a) The existence or formation of a regional prosperity collaborative, defined as any committee developed by a regional planning organization which serves to bring organizational representation together from private, public, and nonprofit entities within a region for the purpose of creating a phase one: regional prosperity plan, as follows:

(i) The collaborative must include regional representatives from adult education, workforce development, economic development, transportation, and higher education organizations.

(ii) The phase one: regional prosperity plan is required, at a minimum, to include a 5-year economic development blueprint for the region, a performance dashboard and measurable annual goals.

(iii) The 5-year economic development blueprint must include plans related to regional planning of adult education, workforce development, economic development, transportation, and higher education.

(iv) The regional prosperity collaborative shall adopt its phase one: regional prosperity plan by a 2/3 majority vote of its members.

(b) Accountability and transparency, which requires the regional prosperity collaborative to meet the following requirements:

(i) Convene monthly meetings to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, economic development, talent, and infrastructure opportunities.

(ii) Make available on a publicly accessible Internet site by 1 or all of the regional prosperity collaborative member organizations, pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, and the regional prosperity plan and performance dashboard.

(c) The existence of a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible Internet site information regarding the use of those grant dollars.

(3) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative under subsection (2) may qualify to receive a 1-time grant of not more than \$75,000.00 for feasibility and process mapping to produce a plan to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board, including necessary local formal agreements, to make recommendations that eliminate duplicative efforts and administrative functions, and to leverage resources through cooperation, collaboration, and consolidations of structures throughout the region. Plans produced to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board shall be made available on a publicly accessible Internet site by at least 1 of the regional prosperity collaborative member organizations.

(4) Regional planning organizations may qualify to receive not more than \$375,000.00 of incentive based funding as a regional prosperity council subject to meeting all of the following requirements:

(a) The formation of a regional prosperity council, defined as a regional body with representation from private, public, and nonprofit entities with shared administrative services and an executive governing entity, as demonstrated by a formal local agreement or agreements for the purpose of creating a phase two: regional prosperity plan, as follows:

(i) The council must include regional representatives from adult education, workforce development, economic development, transportation, and higher education organizations.

(ii) The council shall identify additional opportunities for shared administrative services and decision-making among the private, public, and nonprofit entities within the region and continue collaboration among regional prosperity council members, including, but not limited to, representatives from adult education providers, workforce development agencies, economic development agencies, transportation service providers, and higher education institutions.

(iii) The phase two: regional prosperity plan is required to include a status report of the approved 5-year plan and the addition of a 10-year economic development blueprint for the region, including a performance dashboard with measurable annual goals, and a prioritized list of regional projects.

(iv) The regional prosperity council shall adopt its phase two: regional prosperity plan by a 2/3 vote.

(b) Accountability and transparency, which requires the regional prosperity council to meet the following requirements:

(i) Convene monthly meetings to consider, discuss, and make business decisions on issues leading to a common vision of economic prosperity for the region, including, but not limited to, economic development, talent, and infrastructure opportunities.

(ii) Make available on a publicly accessible Internet site by 1 or all of the regional prosperity council member organizations, pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, local agreements pertinent to the organization and operations of the council, feasibility studies, the regional prosperity plan, and performance dashboard.

(c) The existence of a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible Internet site information regarding the use of those grant dollars.

(5) Regional planning organizations eligible to receive a payment as a regional prosperity council under subsection (4) may qualify to receive a 1-time grant of not more than \$75,000.00 for feasibility and process mapping to produce a plan to transform the regional prosperity council into a regional prosperity board, including a singular private/public governance structure that comports with federal guidelines for governance under the workforce investment act, Public Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the economic development administration and Appalachian regional development reform act of 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts, administrative functions, and leverage resources through cooperation, collaboration, and consolidations of structures throughout the region.

(6) Regional planning organizations may qualify to receive not more than \$500,000.00 of incentive based funding as a regional prosperity board subject to meeting all of the following requirements:

(a) The formation of a regional prosperity board, defined as a regional body with representation from private, public, and nonprofit entities engaged in joint decision-making practices for the purpose of creating a phase three: regional prosperity plan, as follows:

(i) The board, at a minimum, must demonstrate the consolidation of regional metropolitan planning organization board or boards, state designated regional planning agency board or boards, workforce development board or boards, and federally designated economic development district or districts.

(ii) The board shall create a regional services recommendations report outlining the prioritized list of state funded services and programs provided to the region, and recommendations for state-regional partnerships to support the adopted regional prosperity plan.

(iii) The phase three: regional prosperity plan is required to include a status report of the approved 10-year plan.

(iv) The regional prosperity board shall adopt its phase three: regional prosperity plan by a 2/3 vote of its members.

(b) Accountability and transparency, which requires the regional prosperity board to meet the following requirements:

(i) Convene monthly meetings to consider, discuss, and make business decisions on issues leading to a common vision of economic prosperity for the region, including, but not limited to, economic development, talent, and infrastructure opportunities.

(ii) Make available on a publicly accessible Internet site by 1 or all of the regional prosperity board member organizations, pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, local agreements pertinent to the organization and operations of the council, feasibility studies, the regional prosperity plan, performance dashboard, and the regional services recommendation report.

(7) Regional planning organizations eligible to receive a payment as a regional prosperity board under subsection (6) may qualify to receive not more than \$125,000.00, to build or enhance infrastructure or tools necessary to facilitate greater collaboration among regional prosperity board members, and to implement the regional prosperity plan projects.

(8) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative, board, or council may partner with other eligible regional planning organizations as defined in this section to submit joint applications. In the instance of a joint application, 1 regional planning organization must be utilized as the overall applicant. The department may award a joint application award of no greater than the sum of potential application dollars which would have otherwise been available through individual applications.

(9) The department shall develop an application process and method of grant distribution for the regional prosperity initiative. Funding applications from regional planning organizations shall be due to the department by November 1, 2014. The department shall notify regional planning organizations of grant application status by January 1, 2015. The department shall ensure that processes are established to verify that qualifying regional planning organizations meet the requirements under subsections (2), (3), (4), (5), (6), and (7), as applicable.

(10) Unexpended funds appropriated in part 1 for the regional prosperity initiative are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for regional prosperity initiative projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the projects is to provide incentive-based grants to recipients under this section.
- (b) The projects will be accomplished by grants to qualified regional planning organizations.
- (c) The total estimated cost of all projects is \$2,500,000.00.
- (d) The estimated completion date is September 30, 2019.

Sec. 891. The department of technology, management, and budget shall report quarterly to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on litigation fund expenditures. The report shall itemize expenditures by case, purpose, and department involved.

Sec. 895. (1) The amount appropriated in part 1 for Michigan business one stop - depreciation expenses shall be expended solely to pay the remaining capitalized development cost of the Michigan business one stop.

(2) Notwithstanding subsection (1), the department shall not charge state departments or agencies for, nor expend state resources on, the continued development of the Michigan business one stop. The department shall not charge state departments or agencies for maintenance or operation of the Michigan business one stop. To the extent necessary to minimize disruptions while transitioning to elimination of the Michigan business one stop, the department may expend up to \$1,500,000.00 on continued maintenance and operation of the Michigan business one stop. Funds expended on continued maintenance and operation of the Michigan business one stop shall not be derived from interdepartmental grant revenues or other sources of funds deriving from fees or rates charged to other state departments and agencies.

(3) The state budget director shall reduce user fees charged to state departments by amounts equivalent to the reduction in appropriation for the Michigan business one stop.

Sec. 896. (1) From the appropriations in part 1, up to \$7,000,000.00 shall be made available to the senate for future lease, purchase, and transition costs related to relocation from the Farnum building. Funds shall be disbursed to the senate upon executing a contract, lease, letter of intent, or other binding agreement issued by the senate following a competitive bid process conducted by the senate. Funds will be released upon submittal of a purchase order or other documentation of expenses for transition costs.

(2) Proceeds from the sale of the Farnum building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property and an amount equal to that which was disbursed to the senate pursuant to subsection (1) shall also be appropriated to the department.

Sec. 897. (1) From the funds appropriated for special projects in part 1, \$250,000.00 is appropriated for the Catholic charities center for hope to restore and renovate the building where the center for hope is located and for any other necessary expenses.

(2) From the funds appropriated for special projects in part 1, \$500,000.00 is appropriated for payments to individuals and surviving spouses receiving retirement pay under section 411 of the Michigan military act, 1967 PA 150, MCL 32.811. Payments shall be in the amount of \$120.00 for each qualifying individual. If legislation is enacted that would otherwise duplicate payments made under this subsection, the \$500,000.00 appropriated under this subsection shall be used to fund the costs of any statutorily required payments to affected military retirees.

DEPARTMENT OF TREASURY

OPERATIONS

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by the state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by the state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. The department of treasury shall notify the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office not more than 30 days after a refunding or restructuring bond issue is sold. The notification shall compare the annual debt service prior to the refinancing or restructuring, the annual debt service after the refinancing or restructuring, the change in the principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by each contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary

to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations and the state budget office concerning the performance of each portfolio by investment advisor.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures.

Sec. 905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director and the senate and house fiscal agencies not later than November 30.

(2) A revolving fund known as the audit charges fund is created in the department of treasury. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed \$50.00 per examination and certification fees not to exceed \$175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 908. The amount appropriated in part 1 to the department of treasury, home heating assistance program, is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. (1) There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) The appropriations under subsection (1) shall be funded by restricting income tax revenue in an amount sufficient to record these expenditures.

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of \$6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion may be utilized for a program audit of the program. The department of treasury shall forward copies of any audit report completed to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget office. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 914. The department of treasury may provide a \$200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2013. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31 shall revert to the general fund.

Sec. 916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30 stating the amounts appropriated for write-offs and advances under subsection (1).

Sec. 918. In addition to funds appropriated in part 1, the department of treasury may receive and expend funds for conducting tax orientation workshops and seminars. Funds received may not exceed costs incurred in conducting the workshops and seminars.

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 926. Unexpended appropriations of the John R. Justice grant program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide student loan forgiveness to qualified public defenders and prosecutors.
- (b) The project will be accomplished by utilizing state employees or contracts with private vendors, or both.
- (c) The total estimated cost of the project is \$287,700.00.
- (d) The tentative completion date is September 30, 2016.

Sec. 927. The department of treasury shall submit annual progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

Sec. 928. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30 stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts.

(2) The department of treasury shall report by January 31 to the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on the amount and purpose of expenditures made under subsection (1) from funds received in addition to those appropriated in part 1. The report shall also include a listing of reimbursement of revenue, if any. The report shall cover the 2013-2014 fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 944. If the department hires a pension plan consultant using any of the funds appropriated in part 1, the department shall annually forward any report provided to the department by that consultant to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

Sec. 945. The assessment and certification division of the department of treasury shall conduct a review of local unit assessment administration practices, procedures, and records, also known as the 14-point review, in at least 1 assessment jurisdiction per county.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under sections 8 and 9 of the state convention facility development act, 1985 PA 106, MCL 207.628 and 207.629.

Sec. 947. Financial independence teams shall cooperate with the office of fiscal responsibility to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 949. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$48,636,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$26,860,700.00. Total agency appropriations for retiree health care legacy costs are estimated at \$21,775,800.00.

Sec. 949a. The appropriation of \$1,100,000.00 in part 1 for the city of Flint shall be allocated to support city police and firefighters. The emergency manager shall determine which public safety personnel are to be funded from this award. If the city has an appointed receivership transition advisory board, then that board is vested with the authority to make the determination of which personnel are funded from this award.

REVENUE SHARING

Sec. 950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township that received a payment under section 950(2) of 2009 PA 128 greater than \$4,500.00 is eligible to receive a payment equal to 78.51044% of its total payment received under section 950(2) of 2009 PA 128 or for each city, village, or township with a population in excess of 7,500, notwithstanding whether it received a payment greater than \$4,500.00 under section 950(2) of 2009 PA 128, a payment equal to the population of the city, village, or township multiplied by \$2.64659, whichever is greater, rounded to the nearest dollar. Payments under this section to cities, villages, or townships that did not receive a payment under section 950(2) of 2009 PA 128 greater than \$4,500.00 are 1-time payments for which eligibility is based on a presumed level of local services provided. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the payment received under section 950(2) of 2009 PA 128 for the combined single entity, the amount each of the merging local units received under section 950(2) of 2009 PA 128 is summed. For purposes of this subsection, population is determined in the same manner as under section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the payment received under section 950(2) of 2009 PA 128.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to the amount by which the balance in its revenue sharing reserve fund under section 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for the county's most recent fiscal year that ends prior to the January 1 of the state's fiscal year is less than the amount calculated under section 44a(13) of the general property tax act, 1893 PA 206, MCL 211.44a, for the county fiscal year that begins in the state's fiscal year. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts; and a projected budget report, including, at a minimum, the current fiscal year and a projection for

the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. The citizen's guide, performance dashboard, debt service report, and projected budget report shall be made available for public viewing in the city, village, township, or county clerk's office or posted on a publicly accessible Internet site. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the citizen's guide, a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as required by subsection (3). A department of treasury review of the citizen's guide, dashboard, or reports is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (2). The department shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or county meets the requirements of subsection (3), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. After the specified due date for subsection (3), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) After the specified due date for subsection (3), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a county does not provide the required certification or fails to submit the required citizen's guide, performance dashboard, debt service report, and projected budget report by the first day of a payment month, the county shall forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department to eligible counties pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, and townships shall be granted by the department of treasury to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township may use, but is not limited to using, the grants under this section to make payments to reduce unfunded accrued liability; to repair critical infrastructure owned and maintained by the city, village, or township; to reduce general fund debt; or for costs associated with a transition to shared services. The plan for use of the grant shall be developed by the city, village, or township in conjunction with the department of treasury. The department of treasury shall award no more than \$2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15. The report shall include a list by grant recipient of the date each grant was approved, the amount of the grant, the schedule for disbursement, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, and townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is \$8,000,000.00.

(d) The tentative completion date is September 30, 2019.

Sec. 958. (1) From the funds appropriated in part 1, the department shall work with the department of technology, management, and budget to issue an RFP pursuant to section 840 for a statewide online financial accountability reporting system accessible to the general public that displays local government audit data submitted pursuant to section 4 of the uniform budgetary and accounting act, 1968 PA 2, MCL 141.424, and any other data. The online financial accountability reporting system shall include reports of fiscal distress indicators, revenue and expenditures, unfunded liabilities, statements of financial position, crime statistics, public safety, shared services, revenues and expenses per full-time employee, and other indicators as determined by the department. The online financial accountability reporting system shall allow the comparison of the financial statistics between local units of government and access to the audit data submitted by each local unit of government. The reporting system shall include the capability to generate the citizens' guide to local finances required of recipients of funding under section 952.

(2) The department shall report to the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director by March 15 on the status of the RFP for the online system described in subsection (1).

LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 963. The bureau of state lottery shall inform all lottery retailers that the cash side of department of human services bridge cards cannot be used to purchase lottery tickets.

CASINO GAMING

Sec. 971. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.212a.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursement of tribal casino payments received under applicable provisions of the tribal-state class III gaming compact in which those funds are received.

(5) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(6) The Michigan gaming control board shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

Sec. 974. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall shall be distributed proportionally among those departments and agencies.

Sec. 976. The executive director of the Michigan gaming control board may pay rewards of not more than \$5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the appropriation in part 1 for the racing commission.

Sec. 977. All appropriations from the Michigan agriculture equine industry development fund, except for the racing commission and laboratory analysis program appropriations, shall be reduced proportionately if revenues to the Michigan agriculture equine industry development fund decline during the fiscal year ending September 30, 2015 to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house appropriations subcommittees on agriculture and general government and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 979. In addition to the funds appropriated in part 1, the Michigan gaming control board may receive and expend state lottery fund revenue in an amount not to exceed \$4,000,000.00 for necessary expenses incurred in the licensing and regulation of millionaire parties pursuant to Executive Order No. 2012-4. In accordance with section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of necessary expenses shall not exceed the amount of revenue received under that act. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT

Sec. 980. MSHDA shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 981. MSHDA shall report to the subcommittees, the state budget director, and the fiscal agencies by December 1 on the status of the loans entered into by the Michigan broadband development authority.

Sec. 984. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 985. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

Sec. 986. As a condition for receiving funds in part 1, the land bank fast track authority shall provide a report, not later than February 15, to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that shall include, but is not limited to, all the following:

(a) A detailed listing of revenue generating activities that would mitigate or eliminate the need for state GF/GP appropriations to support operations.

(b) A listing of any identified barriers to implementation of the revenue generating activities listed in subdivision (a).

(c) A timeline for implementing the revenue generating activities listed in subdivision (a).

Sec. 990. (1) By November 1, 2014, the Michigan state housing development authority shall work in conjunction with the department of community health and the department of human services to appoint members as provided in this section to a joint task force to review housing rehabilitation, energy and weatherization, and hazard abatement program policies and to make recommendations for integrating and coordinating project delivery with the goals of serving more families and achieving better outcomes by maximizing state and federal resources. The joint task force workgroup shall consist of the following members:

(a) A representative of the healthy homes section.

(b) A representative of the lead safe home program.

(c) A representative from the department of community health.

(d) A construction management specialist.

(e) A representative from the community development division.

(f) A representative of the Michigan state housing development authority.

(g) An energy and weatherization staff representative from the department of human services.

(h) A local weatherization operator.

(i) A certified lead professional or a certified lead contractor.

(j) At least 2 representatives from community organizations that address harmful housing conditions.

(2) The department of community health and the Michigan state housing development authority shall organize the initial meeting of the task force and shall provide administrative support for the task force.

(3) By March 1, 2015, the task force described in subsection (1) shall provide to the house and senate chairs of the appropriations subcommittee for the departments in this section, the senate and house fiscal agencies, and the senate and house policy offices a report of its findings and recommendations.

MICHIGAN STRATEGIC FUND

Sec. 1001. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. The fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by June 1.

Sec. 1007. (1) The fund shall provide reports to the relevant subcommittees, the state budget director, and the fiscal agencies concerning the activities of the MEDC grants and investment programs financed from the fund using investment, Indian gaming revenues, or other revenues. The report shall provide a list of individual grants, loans, and investments made from the fund or by the MEDC from the funds appropriated in part 1 and shall include the name of the recipient, the amount awarded to the recipient, and the purpose of the grant. The activities report shall also include, but not be limited to, the following programs funded in part 1:

(a) Travel Michigan, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan promotion program. The report shall include the number of commercials produced, the markets in which media buys have been made, any web-based products that were created with these funds and identify the geographical market locations and recreational activities used in Michigan tourism promotion material.

(b) Business attraction, retention, and growth, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan business marketing program. The report shall include the number of commercials produced, the markets in which media buys have been made, and any web-based products that were created as a result of this appropriation.

(c) Business services.

(d) Community development block grants.

(e) Strategic fund administration.

(f) Renaissance zones.

(g) 21st century investment program.

(h) Business and clean air ombudsman.

(i) Michigan business development program.

(j) Community revitalization program.

(k) Film incentives.

(l) Any other programs of the fund.

(2) As a condition of the expenditure of funds appropriated in part 1 for business attraction and community revitalization and film incentives, the fund shall submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides performance metrics for the Michigan business development program, community revitalization program, and film incentives. The report shall include, but is not limited to, all of the following for funds appropriated in 2011 PA 63, 2012 PA 200, and 2013 PA 59:

(a) Total verified jobs created compared to total committed jobs.

(b) Total actual private investment compared to total projected private investment.

(c) An estimate of the return on investment to the state as a result of the incentives.

(d) A listing of projects previously awarded incentives that were revoked and the reason for revocation.

(e) A listing of projects that had incentive contracts amended by the fund or MEDC. The listing shall include a detailed listing of the amendments made to the contract.

(3) The reports in subsections (1) and (2) shall be submitted by February 15. The report for each program in subsection (1)(a) through (l) shall include details on all revenue sources, actual expenditures, and number of FTEs for that program for the previous fiscal year.

Sec. 1008. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

- (a) The land is located in an economically distressed area.
- (b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.
- (2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

Sec. 1010. As a condition for receiving funds in part 1, not later than February 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall include, but is not limited to, all of the following:

- (a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.
- (b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.
- (c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

Sec. 1012. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

- (a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
- (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
- (c) Annual audits of all financial records by the auditor general or his or her designee.
- (d) All reports required by law to be submitted to the legislature.
- (2) If the MEDC is unable for any reason to perform duties under this part, the fund may exercise those duties.

Sec. 1013. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or the Michigan economic growth authority.

Sec. 1014. (1) All funds received from repayment of loans, unused grants, revenues received from sales or cash flow participation agreements, guarantees, or any combination of these or accrued interest originally distributed as part of the core communities fund, created by 2000 PA 291, shall be received, held, and applied by the fund for the purposes described in 2000 PA 291.

(2) The fund shall provide an annual report on the status of this fund which includes information that details the awards made. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by February 15.

Sec. 1020. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The fund may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The fund shall report the amount and source of the funds to the senate appropriation subcommittee on economic development, the house appropriation subcommittee on general government, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

Sec. 1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than \$20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 1031. The fund shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15 on the spending plan for the line items for entrepreneurship eco-system and business attraction and community revitalization. If the spending plan for the fiscal year is changed after that date, the fund shall notify the report recipients listed previously within 10 business days.

Sec. 1032. (1) The Michigan film office shall report to the subcommittees and the fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury and the fund shall provide the Michigan film office with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

- (a) The tax credit provided under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.
- (b) The tax credit provided under section 457 of the Michigan business tax act, 2007 PA 36, MCL 208.1457.
- (c) The tax credit provided under section 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1459.
- (d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.
- (e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.
- (f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL 125.2088d.
- (g) Any spending or activities supported by the appropriations in part 1 for film incentives.

(2) The report shall include all of the following information:

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For loans, the number of loans made under each section, the interest rate of those loans, the loan amount, the percent of the projected budget of each production financed by those loans, and the estimated interest earnings from the loan. For each film incentive awarded, including any program to support and promote a qualified facility and other film infrastructure as defined in section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, the total funding awarded for each of the following:

- (i) Direct production expenditures.
- (ii) Michigan personnel expenditures.
- (iii) Crew personnel expenditures.
- (iv) Qualified personnel expenditures.
- (v) Postproduction expenditures.
- (vi) Qualified facility or infrastructure expenditures.
- (vii) Spending for program administration.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

(c) For each of the tax credit incentives, loan incentives, and film incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(i) The number of temporary jobs created.

(ii) The number of permanent jobs created.

(iii) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

(a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.

(b) Attest that the information has not been publicly disseminated at any time.

(c) Describe how disclosure of the information may put the company at a competitive disadvantage.

(4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

Sec. 1033. The Michigan film office shall report to the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies on the status of the film incentives approved under section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days following the end of each quarter of the fiscal year. The report shall include all of the following:

(a) Direct and indirect economic impacts in this state attributable to the assistance.

(b) Direct and indirect job creation in this state attributable to the assistance.

(c) Direct and indirect private investment in this state attributable to the assistance.

(d) The name of each eligible production company and the amount of each incentive disbursed for each state certified qualified production.

Sec. 1033b. For funds appropriated in part 1 from the general fund/general purpose revenue and used for the purpose of the Michigan strategic fund - film incentive program, the applicable percentage of the state certified qualified production expenditures provided in section 29h(3)(d) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, shall be determined based on the date of the agreement.

Sec. 1034. (1) Each business incubator or accelerator that received an award pursuant to section 1034 of article VIII of 2012 PA 200 shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

(2) It is the intent of the legislature that any additional funding awarded for business incubators or accelerators shall be based on the performance of the program as a whole and the results of each incubator or accelerator as reported in the dashboard indicators.

Sec. 1035. (1) From the appropriation in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) On or before October 1, the fund shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The fund shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the following fiscal year.

(c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(2) The appropriation in part 1 for arts and cultural program shall not be used for the administration of the grant program.

Sec. 1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for the programs listed below shall be transferred to the specific funds designated by statute for those programs as follows:

(a) The business attraction and community revitalization funds shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(b) The film incentives program funds shall be transferred to the Michigan film promotion fund established in the Michigan strategic fund act, 1984 PA 270, MCL 125.2029d.

(2) Funds transferred to the 21st century jobs trust fund or Michigan film promotion fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 1037. (1) No long-term indebtedness shall be issued by the fund or funds expended from the appropriations in part 1 for facility for rare isotope beams debt service until Michigan State University provides certification to the fund and the state budget director that all necessary approvals have been secured and federal funds are available to commence construction of the facility for rare isotope beams project from the United States department of energy.

(2) Bond proceeds may only be spent to reimburse costs incurred by Michigan State University in the construction of the facility for rare isotope beams project up to an amount not to exceed \$90,960,100.00. All construction costs for the project in excess of this amount are the responsibility of Michigan State University. The fund is not responsible for operating costs of the project facility. Prior to reimbursement, the fund and Michigan State University shall enter into an agreement providing for the terms of reimbursement, allowable costs, financial reporting, and any other requirements necessary to complete the transaction.

(3) The state budget director retains the authority and fiduciary responsibility normally associated with the maintenance of the public's financial and policy interests relative to state-financed construction projects. The state budget director may take appropriate action to protect the public's financial and policy interests, including, but not limited to, rescinding subsection (2) reimbursement payments for construction of the facility for rare isotope beams project should Michigan State University or the United States department of energy not provide the necessary resources to complete the project. The state budget director shall provide notification to the senate and house appropriations committees, senate fiscal agency, house fiscal agency, and the fund within 10 days of exercising the authority under this subsection.

(4) The department of technology, management, and budget may assist the fund with implementation of this program for purposes of administrative efficiency.

Sec. 1039. The fund shall provide a report by February 15 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the skilled trades training program funded in part 1. The report shall include the following:

(a) The number of awardees participating in the program and the names of those awardees organized by major industry group.

(b) The amount of funding received by each awardee under the program.

(c) Amount of funding leveraged from each awardee or other funding source for each awardee project.

(d) Training models established by each awardee.

(e) The number of individuals enrolled in a skilled trades training program by awardee.

(f) The number of individuals who completed the program and were hired by awardee.

(g) The number of applications received and the number of applications approved for each region.

Sec. 1039b. As a condition of receiving funds in part 1 for the skilled trades training program, the fund shall administer the program as follows:

(a) The fund shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.

(b) The fund and regional Michigan Works! agencies shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The fund shall ensure that the skilled trades training program provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.

(c) The fund shall ensure that grants are distributed for individual skill enhancement for employees of Michigan businesses. Funds shall not be distributed to program and process centered training organization employers.

(d) The fund shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the fund website and distributed to local Michigan Works! agencies by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the fund shall identify solutions and goals to be implemented to satisfy those needs. The fund shall notify the senate and house of representatives standing committees on appropriations, the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house of fiscal agencies, and the state budget office on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. The fund may receive and expend revenues related to the skilled trades training program. The funds shall be available for expenditure upon receipt by the department of treasury.

Sec. 1040. As a condition of receiving funds in part 1, the fund shall utilize MAIN, or a successor MDTMB-administered administrative information system used across state government, as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

Sec. 1041. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the transfer by the state treasurer of not more than 60% of the funds prior to April 1.

Sec. 1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of appropriations for business attraction and community revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, and 2013 PA 59, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house of fiscal agencies, and the state budget office.

Sec. 1043. Not less than \$250,000.00 of the funds appropriated in part 1 for film incentives shall be granted to the west Michigan film office.

Sec. 1044. From the funds appropriated in part 1 for special grants, the fund shall establish a competitive grant program to fund restoration and preservation projects in historically designated neighborhoods throughout the state of Michigan. The program shall have the following characteristics:

(a) The fund shall designate \$600,000.00 for neighborhood organizations registered as a 501(c)(3) organization that provide preservation or restoration services to projects within historically designated neighborhoods.

(b) Grants shall not exceed \$250,000.00 for any project.

(c) Grant funds shall be used solely for historic restoration and preservation purposes.

(d) The fund shall develop detailed guidance for applicants to follow to qualify for a grant under the Michigan heritage restoration program. The detailed guidance shall be posted on the fund website by October 1.

Sec. 1045. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$18,801,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$10,508,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$8,293,000.00.

Sec. 1049. For every \$1.00 raised from sources other than the funds appropriated in part 1 for construction of the monument by the Michigan law enforcement officers memorial monument fund created in section 3 of the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.783, the fund shall distribute \$2.00 from the funds appropriated in part 1 as matching funds to the Michigan law enforcement officers memorial monument fund up to a maximum of \$2,000,000.00 from state resources.

Sec. 1050. (1) The fund shall publish the "activities classification structure data book" for Michigan community colleges on or before March 1.

(2) The fund shall compile information received from community colleges on North American Indian tuition waivers granted pursuant to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.

(3) The fund shall compile information received from community colleges on the number and types of associate degrees and other certificates awarded during the previous fiscal year and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.

(4) The fund shall place the reports required in this section on a publicly available website.

Sec. 1052. (1) No long-term indebtedness shall be issued by the fund or funds expended from the appropriations for the annual debt service in part 1 until the Michigan strategic fund board approves the request for proposals and guidelines for the community colleges skilled trades equipment program.

(2) Up to \$50,000,000.00 for the community colleges skilled trades equipment program shall be made available for equipment and related investments that ensure that Michigan community colleges can deliver educational programs in high-wage, high-skill, and high-demand occupations, as identified by regional labor market conditions and that build and retain a talented workforce in Michigan. Awards shall be made through a competitive process and will require a cash match. Program awards shall be made by the Michigan strategic fund board no later than April 1, 2015. Proposal requirements shall include at least the following:

(a) Description of the equipment to be purchased and a detailed cost estimate.

(b) A plan that directly addresses demonstrated employer demand in the prosperity region in which the community college is located. A plan that demonstrates collaboration between postsecondary and school districts or intermediate school districts in the prosperity region in meeting demonstrated employer demand shall receive extra consideration in the competitive process.

(c) Demonstrated alignment with a prosperity region annual talent needs plan addressing the needs of Michigan companies.

(d) Demonstration that funded equipment and related improvements address the identified talent needs and will support training that provides industry-recognized credentials or degrees in high-skill, high-demand occupations in the prosperity region.

(e) Source of cash and other cost share that will be provided as match for the award. The community college shall provide, at a minimum, 25% of the total project cost in excess of any donated equipment. Additional cash match may be provided from Michigan businesses on behalf of the community college but shall not be the amount paid to students for internships or employment of graduates from the programs.

(3) Bond proceeds may only be spent to reimburse eligible costs incurred by Michigan community colleges. Eligible costs include the costs of equipment, renovations related to installation of the equipment, installation costs of the equipment, and training for instructors that will be providing instruction using the equipment. The fund and the community colleges shall enter into an agreement providing for the terms of reimbursement, the project budget, amount of the cash match provided by the community college, allowable costs, financial reporting, reporting requirements of annual progress to talent needs plan goals that are due by October 15 each year, and any other requirements necessary to complete the transaction. Approved award activity shall commence by April 1, 2016 or the award may be terminated by the Michigan strategic fund board for noncompliance with the award agreement.

(4) All awards shall contain a provision that the fund and the auditor general have access to the books and records, including financial records and all other information and data relevant to the terms of the award, related to the use of the grant funds and goals included in the award document.

(5) The fund may receive and expend bond proceeds and other revenues relating to these programs including administrative expenses that shall not exceed 1% of the awards. The MEDC may provide administration for these programs.

(6) The state budget director retains the authority and fiduciary responsibility normally associated with the maintenance of the public's financial and policy interests relative to state-financed construction projects. The state budget director may take appropriate action to protect the public's financial and policy interests, including, but not limited to, rescinding subsection (2) reimbursement payments for any award involving construction of a facility. The state budget director shall provide notification to the senate and house of representatives standing committees on appropriations, senate and house fiscal agencies, and the fund within 10 days of exercising the authority under this subsection.

(7) The department of technology, management, and budget may assist the fund and the MEDC with implementation of this program for purposes of administrative efficiency.

(8) The fund shall provide a report to the senate and house of representatives appropriations general government subcommittees, senate and house fiscal agencies, and the state budget director program no later than April 15, 2015 that includes a brief description of each of the fund awards, the evaluation criteria used to award funding, and the amount of funding awarded to each recipient. Annual status reports from the fund and award recipients will be included in the fund annual report to the legislature as required in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094, through substantial completion of the awarded projects.

Sec. 1054. From the funds appropriated in part 1 for workforce programs subgrantees, the fund may allocate funding for grants to nonprofit organizations that offer programs to workforce investment act - eligible youth focusing on entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States bureau of the census according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The fund shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 1057. From the appropriations in part 1 for entrepreneurship eco-system, the fund board may allocate funding for the aerospace supplier development program. Any funds allocated by the fund board to the aerospace supplier development program managed by the Michigan aerospace manufacturer's association shall be used to support the following business development services:

- (a) Develop robust supplier-OEM networks using an innovative aggregate demand model (ADM).
- (b) Facilitate the adoption of digital manufacturing and modeling, simulation and analysis (MSA) for aerospace suppliers.
- (c) Advance aerospace workforce development.
- (d) Host funding and investment strategy meetings for aerospace suppliers.
- (e) Mentor disadvantaged suppliers.
- (f) Provide internship programs to retain Michigan trained engineers for Michigan located aerospace companies.

Sec. 1058. (1) The fund shall conduct a workgroup in conjunction with the department of community health, the department of transportation, the department of corrections, the department of human services, and members from both the senate and house of representatives to determine how the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidating all of the current transportation services for these populations under 1 department.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the findings of the workgroup on the items described in subsection (1).

Sec. 1059. The funds appropriated in part 1 for pre-college engineering shall be allocated to a K-12 educational program focused on the development of a diverse future Michigan workforce which serves multiple communities within southeast Michigan and which enrolls students from multiple school districts. Programs eligible to apply for these dollars shall be measured by the program's ability to expose, motivate, and prepare students for science-, technology-, engineering-, and mathematics-based careers and postsecondary education with special attention given to at-risk and underrepresented student groups in technical professions and careers. Recipients of this funding shall provide information to measure program success in such form and at such time as requested by the fund.

MICHIGAN STRATEGIC FUND - WORKFORCE DEVELOPMENT

Sec. 1060. The fund shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 1062. The fund shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 1063. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce investment act or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The fund shall report by February 1 to the subcommittees, the fiscal agencies, and the state budget office on the amount by fiscal year of federal workforce investment act funds appropriated under this section.

Sec. 1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the fund shall provide a report by February 1 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the workforce training programs. The report shall include the following:

- (a) The amount of funding allocated to each Michigan Works! agency and the total funding allocated to the workforce training programs statewide by fund source.

- (b) The number of participants enrolled in education or training programs by each Michigan Works! agency.
- (c) The average duration of training for training program participants by each Michigan Works! agency.
- (d) The number of participants enrolled in remedial education programs and the number of participants enrolled in literacy programs.
- (e) The number of participants enrolled in programs at 2-year institutions.
- (f) The number of participants enrolled in 4-year institutions.
- (g) The number of participants enrolled in proprietary schools or other technical training programs.
- (h) The number of participants that have completed education or training programs.
- (i) The number of participants who secured employment in Michigan within 1 year of completing a training program.
- (j) The number of participants who completed a training program and secured employment in a field related to their training.
- (k) The average wage earned by participants who completed a training program and secured employment within 1 year.
- (2) Data collection for the report shall be for the period October 1, 2013 through September 30, 2014.

Sec. 1069. (1) From the funds appropriated in part 1 for special grants, the fund shall allocate \$500,000.00 for the purpose of funding the cost of GED testing and certification as provided by this section. The workforce development agency shall administer a Michigan GED-to-school program, which shall cover the cost of providing the GED test free of charge to individuals who meet all of the following requirements:

- (a) The GED test is taken and passed on or after June 1, 2015.
- (b) The individual has not previously been administered a GED test free of charge under this section.
- (c) The individual meets at least 1 of the following requirements:
 - (i) The individual enrolls in postsecondary academic or vocational coursework at a public Michigan college or university within 2 years after passing the GED test.
 - (ii) Prior to taking the GED test, the individual successfully completed a WDA-approved GED preparation program.
- (2) A WDA-approved GED preparation program shall include all of the following:
 - (a) Instructional and tutorial assistance.
 - (b) GED test practice.
 - (c) Required attendance at program instructional sessions.
 - (d) A curriculum that prepares students for opportunities in postsecondary education and the job market.
 - (e) Information on potential postsecondary and career pathways.
 - (f) Counseling on preparing for and applying to college.
 - (g) Personal and job readiness skills development.
 - (h) Comprehensive information on college costs and financial aid.
 - (i) College and career assessments.
 - (j) Computer-based instruction, practice, or remediation.
- (3) By January 1, 2015, the workforce development agency shall post online an announcement of the Michigan GED-to-school program, minimum standards for GED preparation program approval, and approval procedures.
- (4) By April 1, 2015, the workforce development agency shall do all of the following:
 - (a) Develop procedures consistent with this section under which individuals can take the GED test without charge.
 - (b) Develop procedures for collecting payment from individuals who received the GED test under this section without charge but who failed to meet the requirements specified by subsection (1).
 - (c) Provide program information for educators and students on the workforce development agency website, including explanations of the procedures developed under subdivisions (a) and (b), and contact information for questions about the program.
 - (d) Provide an estimate of the full-year cost of the program to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director.
- (5) By September 30, 2015, the workforce development agency shall report to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on utilization

of the GED incentive program, including numbers of GED certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (1)(c)(i) or (ii), or both.

Sec. 1070. (1) The department shall conduct a workgroup with the department of human services and members from both the senate and house of representatives to determine how the state can align the spending on Michigan Works! job readiness programs with the declining family assistance program caseload. The workgroup shall investigate possible reductions in the amount of temporary assistance for needy families funding that is provided to Michigan Works!

(2) The department shall collaborate with the department of human services to submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the recommendations of the workgroup on the items described in subsection (1).

STATE BUILDING AUTHORITY

Sec. 1101. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department may expend from the general fund of the state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the fiscal year ending September 30, 2014. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by a legislative appropriation act and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director.

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 1103. The state building authority shall provide to the JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2014-2015

	<u>Fund</u>	<u>Beginning Available Balance</u>	<u>Estimated Revenue</u>	<u>Ending Balance</u>
OPERATING FUNDS				
General fund/general purpose	0110	438.2	9,745.7	2.7
General fund/special purpose.....		1,154.0	24,305.3	3.2
Special Revenue Funds:				
Countercyclical budget and economic stabilization.....	0111	587.5	5.1	591.6
Game and fish protection.....	0112	6.2	84.7	3.1
Michigan employment security act administration	0113	0.0	18.0	0.0
State aeronautics.....	0114	2.6	103.4	0.0
Michigan veterans' benefit trust.....	0115	3.5	2.6	3.5
State trunkline	0116	0.0	1,865.5	0.0
Michigan state waterways	0117	5.7	26.3	4.7
Blue Water Bridge.....	0118	0.0	23.5	0.0
Michigan transportation	0119	0.0	1,929.6	0.0
Comprehensive transportation.....	0120	13.8	329.0	0.0
School aid	0122	0.0	13,740.0	0.0
Game and fish protection trust.....	0124	0.0	15.7	0.0
State park improvement.....	0125	2.9	54.0	4.5
Forest development	0126	2.9	32.3	1.3
Michigan natural resources trust.....	0129	34.7	31.9	39.4
Michigan state parks endowment	0130	6.8	46.2	5.5
Safety education and training.....	0131	7.2	10.7	7.7
Bottle deposit	0136	16.5	14.6	7.9
State construction code.....	0138	2.1	8.2	1.6
Children's trust	0139	0.7	1.1	0.6
State casino gaming.....	0140	1.0	36.4	0.7
Michigan nongame fish and wildlife.....	0143	0.3	0.5	0.3
Michigan merit award trust	0154	53.3	75.5	27.9
Outdoor recreation legacy	0162	0.3	2.6	0.3
Off-road vehicle account	0163	2.6	6.3	2.8
Snowmobile account.....	0164	5.9	10.0	5.3
Silicosis dust disease and logging.....	0870	1.2	1.4	1.2
Utility consumer representation.....	0893	1.9	1.2	1.4
TOTALS.....		\$2,351.8	\$52,527.3	\$717.2

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1301. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

ARTICLE X
DEPARTMENT OF HUMAN SERVICES
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of human services for the fiscal year ending September 30, 2015, from the following funds:

**DEPARTMENT OF HUMAN SERVICES
APPROPRIATION SUMMARY**

Full-time equated classified positions	12,221.5	
Unclassified positions	6.0	
Total full-time equated positions	12,227.5	
GROSS APPROPRIATION		\$ 5,755,174,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	21,545,900	
ADJUSTED GROSS APPROPRIATION		\$ 5,733,628,800
Federal revenues:		
Social security act, temporary assistance for needy families	530,006,000	
Capped federal revenues	611,479,900	
Federal supplemental security income	8,594,600	
Total other federal revenues	3,401,194,700	
Special revenue funds:		
Total private revenues	20,299,300	
Total local revenues	40,364,300	
Total other state restricted revenues	126,237,400	
State general fund/general purpose		\$ 995,452,600
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose	990,302,600	
One-time state general fund/general purpose	5,150,000	

Sec. 102. EXECUTIVE OPERATIONS

Total full-time equated positions	681.7	
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	675.7	
Unclassified salaries—6.0 FTE positions		\$ 724,600
Salaries and wages—285.7 FTE positions	17,469,700	
Contractual services, supplies, and materials	13,453,600	
Demonstration projects—7.0 FTE positions	6,805,100	
Inspector general salaries and wages—131.0 FTE positions	7,540,200	
Electronic benefit transfer EBT	8,509,000	
Michigan community service commission—15.0 FTE positions	11,597,800	
AFC, children's welfare and day care licensure—237.0 FTE positions	28,907,100	
State office of administrative hearings and rules	7,535,900	
GROSS APPROPRIATION		\$ 102,543,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education	8,222,600	
ADJUSTED GROSS APPROPRIATION		\$ 94,320,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families	10,155,700	
Capped federal revenues	29,722,900	
Total other federal revenues	20,804,500	
Special revenue funds:		
Total private revenues	3,850,900	
Total local revenues	16,400	
Total other state restricted revenues	5,400	
State general fund/general purpose		\$ 29,764,600

Sec. 103. CHILD SUPPORT ENFORCEMENT

Full-time equated classified positions.....	190.7	
Child support enforcement operations—184.7 FTE positions.....	\$	22,254,500
Legal support contracts.....		113,359,100
Child support incentive payments.....		24,409,600
State disbursement unit—6.0 FTE positions.....		9,028,300
GROSS APPROPRIATION.....	\$	169,051,500
Appropriated from:		
Federal revenues:		
Capped federal revenues.....		1,700,000
Total other federal revenues.....		144,366,200
State general fund/general purpose.....	\$	22,985,300

Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY

Full-time equated classified positions.....	16.0	
Bureau of community action and economic opportunity—16.0 FTE positions.....	\$	2,068,700
Community services block grant.....		25,840,000
Weatherization assistance.....		16,340,000
School success partnership program.....		300,000
GROSS APPROPRIATION.....	\$	44,548,700
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families.....		500
Capped federal revenues.....		44,248,200
State general fund/general purpose.....	\$	300,000

Sec. 105. ADULT AND FAMILY SERVICES

Full-time equated classified positions.....	564.7	
Guardian contract.....	\$	490,200
Adult services policy and administration—8.0 FTE positions.....		925,000
Office of program policy—28.7 FTE positions.....		3,652,900
Employment and training support services.....		4,219,100
Wage employment verification reporting.....		547,300
Nutrition education—2.0 FTE positions.....		23,038,000
Elder law of Michigan MiCAFE contract.....		350,000
Elder abuse prosecuting attorney.....		300,000
Michigan rehabilitation services—526.0 FTE positions.....		150,589,700
Independent living.....		6,488,600
GROSS APPROPRIATION.....	\$	190,600,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections.....		3,000,000
IDG from department of education.....		13,300
ADJUSTED GROSS APPROPRIATION.....	\$	187,587,500
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families.....		4,667,900
Capped federal revenues.....		115,450,000
Federal supplemental security income.....		8,594,600
Total other federal revenues.....		27,570,900
Special revenue funds:		
Private - gifts, bequests, and donations.....		1,946,000
Local vocational rehabilitation match.....		6,539,100
Second injury fund.....		149,400
Rehabilitation service fees.....		1,442,900
State general fund/general purpose.....	\$	21,226,700

Sec. 106. CHILDREN'S SERVICES

Full-time equated classified positions.....	116.3	
Salaries and wages—53.7 FTE positions	\$	2,461,900
Contractual services, supplies, and materials		1,129,000
Interstate compact		179,600
Families first		16,944,500
Strong families/safe children		12,350,100
Child protection and permanency—23.0 FTE positions.....		12,892,500
Family reunification program.....		3,977,100
Family preservation and prevention services administration—11.0 FTE positions.....		1,426,800
Children's trust fund administration—12.0 FTE positions.....		978,300
Children's trust fund grants		2,325,100
Attorney general contract.....		4,226,400
Prosecuting attorney contracts.....		2,561,700
Child protection.....		873,900
Domestic violence prevention and treatment—14.6 FTE positions.....		15,730,000
Rape prevention and services—0.5 FTE position.....		5,072,300
Child advocacy centers—0.5 FTE position.....		2,000,000
Child abuse and neglect - children's justice act—1.0 FTE position.....		619,000
Family preservation and prevention services programs.....		2,500,000
GROSS APPROPRIATION	\$	88,248,200
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		43,924,200
Capped federal revenues.....		24,762,800
Total other federal revenues.....		6,274,300
Special revenue funds:		
Compulsive gambling prevention fund		1,040,700
Children's trust fund		2,078,000
Sexual assault victims' prevention and treatment fund		3,000,000
Child advocacy centers fund.....		2,000,000
State general fund/general purpose	\$	5,168,200

Sec. 107. CHILD WELFARE SERVICES

Full-time equated classified positions.....	3,992.2	
Children's services administration—95.0 FTE positions.....	\$	6,756,900
Title IV-E compliance and accountability office—4.0 FTE positions.....		413,500
Child welfare institute—45.0 FTE positions		8,142,900
Child welfare field staff - caseload compliance—2,511.0 FTE positions.....		121,626,500
Child welfare field staff - noncaseload compliance—330.0 FTE positions		17,561,000
Education planners—15.0 FTE positions		822,200
Peer coaches—56.0 FTE positions		3,427,200
Child welfare first line supervisors—585.0 FTE positions		40,493,500
Administrative support workers—243.0 FTE positions.....		8,303,800
Second line supervisors and technical staff—55.0 FTE positions		4,346,800
Permanency resource managers—28.5 FTE positions		1,736,900
Contractual services, supplies, and materials		8,145,000
Settlement monitor.....		1,625,800
Foster care payments		192,240,200
Serious emotional disturbance - waiver program.....		3,351,600
Serious emotional disturbance - nonwaiver program		2,999,900
Guardianship assistance program.....		7,846,000
Child care fund.....		182,206,400
Child care fund administration—6.2 FTE positions.....		790,100
Adoption subsidies.....		247,723,200
Adoption support services—10.0 FTE positions		27,396,600
Youth in transition—5.5 FTE positions.....		15,053,500
Child welfare medical/psychiatric evaluations		8,735,500

For Fiscal Year
Ending Sept. 30,
2015

Psychotropic oversight	\$	618,200
Performance based funding implementation—3.0 FTE positions		1,272,100
GROSS APPROPRIATION	\$	913,635,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		140,200
ADJUSTED GROSS APPROPRIATION	\$	913,495,100
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		217,273,400
Capped federal revenues.....		65,848,400
Total other federal revenues.....		233,815,500
Special revenue funds:		
Private - collections		3,244,100
Local funds - county chargeback		14,689,700
State general fund/general purpose	\$	378,624,000

Sec. 108. JUVENILE JUSTICE SERVICES

Full-time equated classified positions	182.0	
W.J. Maxey training school—69.0 FTE positions	\$	10,324,500
Bay pines center—42.0 FTE positions		4,836,500
Shawono center—42.0 FTE positions		4,920,900
County juvenile officers.....		3,904,300
Community support services—3.0 FTE positions.....		2,098,500
Juvenile justice, administration and maintenance—23.0 FTE positions.....		3,951,500
Juvenile accountability block grant—0.5 FTE position.....		1,281,300
Committee on juvenile justice administration—2.5 FTE positions.....		343,900
Committee on juvenile justice grants.....		3,000,000
In-home community care.....		1,000,000
Juvenile justice vision 20/20.....		1,000,000
GROSS APPROPRIATION	\$	36,661,400
Appropriated from:		
Federal revenues:		
Capped federal revenues.....		5,142,900
Total other federal revenues.....		601,900
Special revenue funds:		
Local funds - state share education funds.....		2,195,500
Local funds - county chargeback		9,279,300
State general fund/general purpose	\$	19,441,800

Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS

Full-time equated classified positions	5,904.5	
Field staff, salaries and wages—5,535.5 FTE positions	\$	297,934,600
Contractual services, supplies, and materials		17,386,300
Healthy Michigan plan administration.....		19,536,300
Medical/psychiatric evaluations.....		1,420,100
Donated funds positions—338.0 FTE positions		39,690,800
Training and program support—23.0 FTE positions		2,310,300
Volunteer services and reimbursement		942,400
SSI advocates—8.0 FTE positions		797,400
GROSS APPROPRIATION	\$	380,018,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		100,000
IDG from department of education		4,654,100
ADJUSTED GROSS APPROPRIATION	\$	375,264,100
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		66,135,100

		For Fiscal Year Ending Sept. 30, 2015
Capped federal revenues.....	\$	32,252,800
Total other federal revenues.....		115,614,100
Special revenue funds:		
Local funds.....		7,644,300
Private funds - donated funds		11,258,300
Supplemental security income recoveries		797,400
State general fund/general purpose	\$	141,562,100
Sec. 110. DISABILITY DETERMINATION SERVICES		
Full-time equated classified positions.....	571.4	
Disability determination operations—545.9 FTE positions.....	\$	107,284,100
Medical consultation program—21.4 FTE positions		2,542,200
Retirement disability determination—4.1 FTE positions.....		506,100
GROSS APPROPRIATION	\$	110,332,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from DTMB - office of retirement services		679,400
ADJUSTED GROSS APPROPRIATION	\$	109,653,000
Appropriated from:		
Federal revenues:		
Total other federal revenues.....		105,988,900
State general fund/general purpose	\$	3,664,100
Sec. 111. CENTRAL SUPPORT ACCOUNTS		
Rent.....	\$	41,006,400
Occupancy charge		10,582,400
Travel		9,281,600
Equipment.....		62,600
Worker's compensation		2,497,600
Payroll taxes and fringe benefits.....		434,135,600
GROSS APPROPRIATION	\$	497,566,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education.....		3,601,500
ADJUSTED GROSS APPROPRIATION	\$	493,964,700
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		116,475,800
Capped federal revenues.....		65,425,400
Total other federal revenues.....		133,710,900
State general fund/general purpose	\$	178,352,600
Sec. 112. PUBLIC ASSISTANCE		
Full-time equated classified positions.....	8.0	
Family independence program.....	\$	146,603,000
State disability assistance payments		14,373,000
Food assistance program benefits		2,547,185,600
State supplementation		62,504,100
State supplementation administration.....		2,381,100
Low-income home energy assistance program		174,951,600
Food bank funding.....		1,795,000
Homeless programs.....		15,721,900
Multicultural integration funding		3,015,500
Indigent burial.....		4,300,000
Emergency services local office allocations		11,508,500
Michigan energy assistance program—1.0 FTE position.....		50,000,000
Refugee assistance program—7.0 FTE positions.....		27,969,000
GROSS APPROPRIATION	\$	3,062,308,300

Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	\$ 55,029,200
Capped federal revenues.....	205,543,000
Total other federal revenues.....	2,541,695,600
Special revenue funds:	
Child support collections	17,996,000
Supplemental security income recoveries	10,617,600
Public assistance recoupment revenue	7,010,000
Low-income energy assistance fund.....	50,000,000
Michigan merit award trust fund.....	30,100,000
State general fund/general purpose	\$ 144,316,900

Sec. 113. INFORMATION TECHNOLOGY

Data center operations	\$ 8,426,000
Telecommunications.....	8,530,100
Support services	13,523,300
Staff support.....	34,328,100
Direct agency charges	48,891,600
Administration and Internet	6,398,500
Child support automation.....	41,913,100
GROSS APPROPRIATION	\$ 162,010,700

Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education.....	1,134,800
ADJUSTED GROSS APPROPRIATION	\$ 160,875,900

Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	16,344,200
Capped federal revenues.....	21,383,500
Total other federal revenues.....	70,751,900
State general fund/general purpose	\$ 52,396,300

Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS

Child support enforcement operations.....	\$ 394,500
Legal support contracts.....	105,500
Michigan rehabilitation services	2,600,000
Flint Catholic charities: center for hope.....	250,000
Performance based funding implementation	100,000
Private child welfare information technology services.....	300,000
Fostering futures endowment fund.....	500,000
Juvenile justice in-home community care grants.....	250,000
Food bank funding.....	100,000
Michigan reading corps.....	350,000
Parent-to-parent adoption support services	200,000
GROSS APPROPRIATION	\$ 5,150,000

Appropriated from:	
State general fund/general purpose	\$ 5,150,000

Sec. 115. BUDGETARY SAVINGS

Staffing reductions	\$ (7,500,000)
GROSS APPROPRIATION	\$ (7,500,000)

Appropriated from:	
State general fund/general purpose	\$ (7,500,000)

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$1,121,690,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$97,343,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

Child care fund.....	\$	92,937,300
County juvenile officers.....		3,656,500
State disability assistance payments		726,700
Family independence program.....		22,800
TOTAL.....	\$	97,343,300

Sec. 202. The appropriations authorized under this part are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "AFC" means adult foster care.
- (b) "Current fiscal year" means the fiscal year ending September 30, 2015.
- (c) "Department" means the department of human services.
- (d) "Director" means the director of the department of human services.
- (e) "FTE" means full-time equated.
- (f) "IDG" means interdepartmental grant.
- (g) "MiCAFE" means Michigan's coordinated access to food for the elderly.
- (h) "Previous fiscal year" means the fiscal year ending September 30, 2014.
- (i) "Settlement" means the settlement agreement entered in the case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United States district court for the eastern district of Michigan.
- (j) "SSI" means supplemental security income.
- (k) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of title IV of the social security act, 42 USC 601 to 619.
- (l) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.
- (m) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.

Sec. 204. The civil service commission shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. Pursuant to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 206. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Both of the following apply to the benchmarks:

(a) By November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director.

(b) The department shall provide an update on its progress in achieving the benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature will include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 207. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement, and it shall include placement of reports on the Internet.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 211. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 212. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues or current year revenues that are in excess of the authorized amount.

(2) The department's ability to satisfy appropriation fund sources in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 213. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the executive operations appropriation unit.

Sec. 214. On a bimonthly basis, the department shall report on the number of FTEs in pay status by type of staff.

Sec. 215. If a legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations, the department shall notify the state budget director, the house and senate appropriations committees, and the house and senate fiscal agencies and policy offices of that fact.

Sec. 217. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

Sec. 221. (1) If the revenue collected by the department from private and local sources exceeds the amount spent from amounts appropriated in part 1, the revenue may be carried forward, with approval from the state budget director, into the subsequent fiscal year.

(2) The department shall provide a report on the amount of each revenue stream to be carried forward, as well as the cumulative amount, for the closing fiscal year by October 30 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

Sec. 222. (1) The department shall provide written notification to the chairpersons of the senate and house appropriations subcommittees on the budget for the department of any policy changes at least 30 days before the implementation date.

(2) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(3) The department shall report no later than April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies. The department shall attach each policy bulletin issued during the prior calendar year to this report.

Sec. 225. The department may hire physicians to be part of the medical review team (MRT) on a temporary basis if Medicaid applications are backlogged more than 2,000. The temporary physicians shall be retained until the backlog has dropped below 2,000 for 2 consecutive months. The role of the physicians will be to obtain medical evidence from and grant medical determinations to applicants.

Sec. 226. The department shall not approve any contract for new services, programs, or concepts in excess of \$1,000,000.00 unless both of the following requirements have been met:

(a) The department has issued and received a request for information (RFI) or a request for qualification (RFQ) before issuing a request for proposal for the contract. The request for information or request for qualification will enable the department to learn more about the market for the products or services that are the subject of the future request for proposal.

(b) The department has provided the legislature with the results of the request for information or request for qualification and posted a summary of the results of the request for information or request for qualification on the department's webpage.

Sec. 227. (1) The department shall conduct a workgroup in conjunction with the department of community health, the state transportation department, the department of corrections, the strategic fund in the department of treasury, and members from both the senate and house of representatives to determine how the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidating all of the current transportation services for these populations under 1 department.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the findings of the workgroup on the items described in subsection (1).

Sec. 228. The department shall submit to the department of technology, management, and budget all of the information that is required from the department to finalize the request for information process for all bids that are included in the current fiscal year enacted budget for the department by October 1 of the current fiscal year. The department shall submit to the department of technology, management, and budget all of the information required from the department to finalize the request for proposal process by January 1 of the current fiscal year. Requests for proposals shall remain open on the state website and available for bids for at least 30 days.

Sec. 229. (1) The department shall conduct a workgroup with the department of treasury and members from both the senate and house of representatives to determine how the state can align the spending on Michigan Works! job readiness programs with the declining family independence program caseload. The workgroup shall investigate possible reductions in the amount of TANF funding that is provided to Michigan Works!

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the recommendations of the workgroup on the items described in subsection (1), including, but not limited to, the proposed amount of TANF funding provided to Michigan Works!

Sec. 230. The department shall issue a request for proposal for the income verification contract for public assistance eligibility determination. The request for proposal process shall be completed no later than February 1, 2015.

Sec. 234. The department shall include specific outcome and performance reporting requirements in the interagency agreement with the Michigan strategic fund for TANF funding to provide job readiness and welfare-to-work programming. TANF funding provided to the Michigan strategic fund in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement must require the Michigan strategic fund to provide all of the following items by December 1 of the current fiscal year for the previous year:

(a) An itemized spending report on TANF funding, including all of the following:

(i) Direct services to clients.

(ii) Administrative expenditures.

(b) The number of family independence program (FIP) clients served through the TANF funding, including all of the following:

(i) The number and percentage who obtained employment through Michigan Works!

(ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(iii) Average TANF spending per client.

(iv) The number and percentage of clients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

Sec. 240. The department shall notify the house and senate appropriations committees and the house and senate fiscal agencies of any changes to a child welfare master contract not less than 30 days before the change takes effect.

Sec. 250. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of technology, management, and budget. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 251. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 265. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2015 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

- (b) Title XX social services block grant.
- (c) Title IV-B part I child welfare services block grant.
- (d) Title IV-B part II promoting safe and stable families funds.
- (e) Low-income home energy assistance program.

(2) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify additional TANF maintenance of effort sources and rationale for any increases or decreases from all of the following, but not limited to:

- (a) Other departments.
- (b) Local units of government.
- (c) Private sources.

Sec. 275. (1) The negative appropriation in the staffing reductions line in part 1 shall be offset only through FTE reductions. The line item shall not be offset through cuts to programs, benefits, caseload savings, or policy changes. The department may use TANF funds to offset general fund/general purpose funds in order to realize these savings.

(2) The department shall provide monthly reports on the savings realized under subsection (1) to the chairpersons of the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

(3) The staffing reductions line shall achieve a zero balance by the close of the current fiscal year.

(4) Funds to offset the staffing reductions line shall be made available through the legislative transfer process provided by section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 279. (1) All master contracts relating to human services shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) By February 1 of the current fiscal year, the department shall provide the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 284. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 290. Any public advertisement for state assistance shall also inform the public of the welfare fraud hotline operated by the department.

Sec. 291. (1) The department shall verify, using the e-verify system, that all new department employees, and new hire employees of contractors and subcontractors paid from funds appropriated in part 1, are legally present in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department.

(2) By February 15 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the number of new department employees and new hire employees of contractors and subcontractors that were found to not be legally present in the United States.

Sec. 293. The department may use funds from the funds appropriated in part 1 to strengthen marriage and family relations through the practice of marriage and family therapy for individuals, families, couples, or groups. The goal of the therapy shall be strengthening families by helping them avoid, eliminate, relieve, manage, or resolve marital or family conflict or discord.

Sec. 295. If the department fails to provide to the legislature reports and other data required by this part or other statute within 30 days after the date the information is due, the state money appropriated in part 1 for salaries and wages responsible for preparing and submitting the report shall be reduced by \$150,000.00.

Sec. 296. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 297. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 is \$283,394,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$159,146,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$124,248,100.00.

Sec. 298. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 299. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

EXECUTIVE OPERATIONS

Sec. 307. (1) From the funds appropriated in part 1 for demonstration projects, \$400,000.00 shall be distributed as provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501(c)(3), and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer to the department any calls received reporting fraud, waste, or abuse of state-administered public assistance.

(4) Michigan 2-1-1 shall report annually to the department and the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, including, but not limited to, call volume by community health and human service needs and unmet needs identified through caller data and customer satisfaction metrics.

Sec. 310. It is the intent of the legislature that the department shall work with youth-oriented nonprofit organizations to provide mentoring programming for children of incarcerated parents and other at-risk children.

Sec. 315. The department, in conjunction with the department of community health, organizations representing disabled and elderly adults, representatives of assisted living facilities, and the legislature, shall conduct a workgroup that explores licensing standards and practices and performance measures for facilities providing adult assisted living services in order to ensure safe, adequately supervised, and protective environments for those individuals and families seeking assisted living services.

ADULT AND FAMILY SERVICES

Sec. 401. (1) All funds appropriated in part 1 for independent living shall be used to support centers for independent living in delivering mandated independent living core services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living,

nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities.

(2) The Michigan centers for independent living shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on direct customer and system outcomes and performance measures.

Sec. 402. The Michigan rehabilitation services shall work collaboratively with the bureau of services for blind persons, service organizations, and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 403. (1) It is the intent of the legislature that the funds appropriated in part 1 for Michigan rehabilitation services, and any future funds appropriated for that purpose, shall not be spent unless Michigan rehabilitation services addresses, works to remedy, and accounts for the deficiencies found in Michigan rehabilitation services as detailed in the most recent auditor general report of Michigan rehabilitation services.

(2) The department shall provide quarterly status reports by February 1, May 1, August 1, and November 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and house and senate policy offices on Michigan rehabilitation services that include all of the following items:

- (a) Reductions and changes in administration costs and staffing.
- (b) Service delivery plans and implementation steps achieved.
- (c) Reorganization plans and implementation steps achieved.
- (d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.
- (e) Quarterly expenditures by major spending category.
- (f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.
- (g) Success rate of each district in achieving the program goals.

Sec. 404. From the funds appropriated in part 1 for independent living, the department shall allocate \$1,500,000.00 to Michigan's centers for independent living to continue to pilot guide services to develop accessible, comprehensive, and integrated services for persons with disabilities. The guide services shall also assist persons with disabilities and their families in navigating state systems when accessing public assistance to become financially self-sufficient.

Sec. 405. It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services.

Sec. 407. From the funds appropriated in part 1 to Michigan rehabilitation services, the department shall use the interdepartmental grant from the department of corrections to expand the swift and sure sanctions probation program through Michigan rehabilitation services. The department shall allocate up to \$3,000,000.00 as a match for \$11,084,500.00, pending the availability of federal vocational rehabilitation funds, for the purpose described in this section. The department shall establish an interagency agreement with the department of corrections and judicial branch to carry out this purpose. These funds shall be used to assist individuals who have a history of probation or parole violations and exceptional mental health needs and shall not be used for individuals who are currently incarcerated. In order to implement the program described in this section, the department shall contract with accredited, community-based rehabilitation organizations for job placement and other support services for eligible probationers referred from that program. If the amount of available federal funding is less than \$11,084,500.00, the department shall notify the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office within 30 days of this determination and the reasons for the lower match.

Sec. 415. (1) If funds become available in part 1, the department may contract with independent contractors from various counties, including, but not limited to, faith-based and nonprofit organizations. Preference shall be given to independent contractors that provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for the fatherhood program.

(2) The department may choose providers that will work with counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support.

(3) A fatherhood initiative program established under this section shall minimally include at least 3 of the following components: promoting responsible, caring, and effective parenting through counseling; mentoring and parental education; enhancing the abilities and commitment of unemployed or low-income fathers to provide material support for their families and to avoid or leave welfare programs by assisting them to take advantage of job search programs, job training, and education to improve their work habits and work skills; improving fathers' ability to effectively manage family business affairs by means such as education, counseling, and mentoring in household matters; infant care; effective communication and respect; anger management; children's financial support; and drug-free lifestyle.

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

(5) Upon receipt of the promotion of responsible fatherhood funds from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 416. (1) If funds become available in part 1, the department may contract with independent contractors from various counties, including, but not limited to, faith-based and nonprofit organizations. Preference shall be given to independent contractors that provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for a marriage initiative program.

(2) The department may choose providers to work with counties that will work to support and strengthen marriages of those eligible under the TANF guidelines. The areas of work may include, but are not limited to, marital counseling, domestic violence counseling, family counseling, effective communication, and anger management as well as parenting skills to improve the family structure.

(3) A marriage initiative program established under this section may include, but is not limited to, 1 or more of the following: public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health; education in high schools on the value of marriage, relationship skills, and budgeting; premarital, marital, family, and domestic violence counseling; effective communication; marriage mentoring programs which use married couples as role models and mentors in at-risk communities; anger management; and parenting skills to improve the family structure.

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

(5) Upon receipt of the healthy marriage promotion grant from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 420. (1) From the funds appropriated in part 1, the department shall contract with the prosecuting attorneys association of Michigan for 2 elder abuse resource prosecuting attorneys positions to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the prosecuting attorneys association shall provide a report on the efficacy of the contract to the state budget office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices.

Sec. 423. From the funds appropriated in part 1 for elder law of Michigan MiCAFE contract, the department shall allocate not less than \$350,000.00 to the elder law of Michigan MiCAFE to assist this state's elderly population to participate in the food assistance program. Of the \$350,000.00 allocated under this section, the department shall use \$175,000.00, which are general fund/general purpose funds, as state matching funds for not less than \$175,000.00 in United States department of agriculture funding to provide outreach program activities, such as eligibility screen and information services, as part of a statewide food assistance hotline.

Sec. 424. The department may contract with a competitively selected contractor whose service area includes region 2 of the prosperity regions identified and defined by the department of technology, management, and budget. The competitively selected contractor shall be a nonprofit organized and operated exclusively for the tax-exempt purposes set forth in section 501(c)(3) of the United States internal revenue code. Allocated funds shall only be used to defray the operational and capital costs for the workers on wheels program. By January 1 of the current fiscal year, the selected contractor shall provide a report on the number of households served, impact of the recipient's household income, employment status of the recipient, and the number of vehicles awarded through purchase and donation to the house

and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices.

Sec. 425. (1) From the funds appropriated in part 1, the department shall provide individuals not more than \$500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to \$900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

(2) By November 30 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report detailing the total number of payments for repairs, the number of payments for repairs that exceeded \$500.00, the number of payments for repairs that cost exactly \$500.00, and the number of payments for repairs that cost exactly \$900.00 in the previous fiscal year.

CHILDREN'S SERVICES

Sec. 501. (1) A goal is established that not more than 27% of all children in foster care at any given time during the current fiscal year will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall issue a request for proposal not later than October 1, 2014 for an independent actuary designated as a fellow of the society of actuaries to recommend actuarially sound case rates for necessary out-of-home child welfare services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) A prospective rate payment system for private agencies that includes funding for adoption incentive payments is the recommended funding model. The full cost prospective rate payment system will identify and cover contractual costs, paid through the case rate developed by an actuary.

(3) By September 30, 2015, the department shall complete a full cost analysis of the performance-based funding model with respect to the current fiscal year, including relevant information on the actuarial rate-setting process and provide a report on the analysis to the senate and house appropriations subcommittees on the department budget.

(4) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall implement a 5-year independent, third-party evaluation of the performance-based funding model. The evaluator shall be selected through a competitive process by a rating committee that includes, but is not limited to, representatives from the department and private child placing agencies.

(5) The department shall create a readiness model with input from private child welfare agencies, counties, and courts that gives direction to self-identified counties and the department regarding county participation before any further expansion of the performance-based funding model.

(6) For phase II, the department shall only phase the implementation of the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have agreed to implement the performance-based funding model.

(7) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall implement the fiscal year 2014-2015 recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide a quarterly report on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

Sec. 505. By March 1 of the current fiscal year, the department and Wayne County shall provide to the senate and house appropriations committees on the department budget and the senate and house fiscal agencies and policy offices a report for youth served in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served within each juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

Sec. 506. The department shall submit a report by February 15 of the current fiscal year on the number of foster children under department supervision who did not receive Medicaid coverage and the number of foster children under department supervision that experienced a break in Medicaid coverage during the previous fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices.

Sec. 507. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) The department and the child abuse neglect and prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

Sec. 509. (1) From the funds appropriated in part 1 for the child welfare institute, the department shall use up to \$100,000.00 to enter into a contract to provide pilot training for public and contracted child welfare staff to address secondary trauma.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year on the results of the pilot program, including the number of participants, actual costs of the pilot program, and a cost estimate to expand the program statewide.

Sec. 511. The department shall provide quarterly reports to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely health examinations after entry into foster care and the number and percentage of children entering foster care who received a required mental health examination after entry into foster care.

Sec. 513. (1) The department shall not expend funds appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

(a) There is no appropriate placement available in this state as determined by the department interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department interstate compact office.

(c) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.

(d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.

(e) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, reviewed licensing records and reports on the facility, and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the deputy director for children's services. The department shall notify the appropriate state agency in that state including the name of the out-of-state provider who accepted the placement.

(3) The department shall submit quarterly reports to the state court administrative office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the number of Michigan children residing in out-of-state facilities at the time of the report, the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

(4) The department shall submit an annual report by February 15 of the current fiscal year on per diem costs of each residential care provider that has an established state rate and is located or doing business in this state.

(5) It is the intent of the legislature that the department shall work in conjunction with the courts and the state court administrative office to identify data needed to calculate statewide recidivism rates for adjudicated youth placed in either residential secure or nonsecure facilities, defined at 6 months after a youth is released from placement.

(6) By March 1 of the current fiscal year, the department shall notify the legislature on the status of efforts to accomplish the intent of subsection (5).

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by January 1 of the current fiscal year, that shall include all of the following:

(a) Statistical information including, at a minimum, all of the following:

(i) The total number of reports of child abuse or neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(ii) Characteristics of perpetrators of child abuse or neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine.

(iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(iv) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(v) For the reported complaints of child abuse or neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(vi) For the reported complaints of child abuse or neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

(c) The information contained in the report required under section 8d(5) of the child protection law, 1975 PA 238, MCL 722.628d, on cases classified under category III.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 515. (1) By October 1, 2014, the department, in conjunction with court and county personnel and representatives of the private child welfare agencies operating in Kent County, shall transfer all existing foster care cases and pending foster family home licensing applications in Kent County to private child welfare agencies. Beginning on or before October 1, 2014, the department, in conjunction with court and county personnel and representatives of the private child welfare agencies operating in Kent County, shall assign all new foster care cases and new foster family home licensing applications or recertifications in Kent County to private child welfare agencies. The department shall notify in writing the chairs of the house and senate appropriations subcommittees on the department budget within 10 days after all the foster care cases and pending foster family home licensing applications have been transferred to private child welfare agencies in Kent County. Until an actuary who has been designated as a fellow of the society of actuaries has recommended and the department has amended contracts to include case rates for performance-based contracting pursuant to the workgroup findings described in section 503 of article X of 2013 PA 59, the department shall pay providers of foster care services in Kent County the administrative rate established in section 546(1) and (4) of article X of 2013 PA 59. The carrying out of the workgroup or the workgroup findings described in section 503 of article X of 2013 PA 59 or any other activities associated with establishing performance-based funding or contracting shall not delay in any way the time deadlines for transferring and assigning foster care cases in Kent County to private child welfare agencies in this section. If the department fails to comply with the requirements of this section, the state money appropriated in part 1 for executive operations shall be reduced by \$25,000.00 for each week of noncompliance.

(2) It is the intent of the legislature that the transfers described in this section will not require the children in foster care to be placed into a new foster family home, but that the department will allow the private child welfare agencies to borrow the foster family homes certified through the department.

(3) By March 1, 2015, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices that provides an update on the privatization of child welfare services in Kent County as described in section 515 of article X of 2013 PA 59 and includes all of the following:

(a) Costs or savings that resulted from the program.

- (b) Gaps in funding.
- (c) Program successes.
- (d) Challenges and barriers to a successful implementation.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate \$750,000.00 for college scholarships through the fostering futures scholarship program in the Michigan education trust to youths who were in foster care because of child abuse or neglect and are attending a college located in this state. Of the funds appropriated, 100% shall be used to fund scholarships for the youths described in this section.

(2) Not later than March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices that includes the number of youths who received scholarships and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall report on the families first, family reunification, and families together building solutions family preservation programs to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices. The report shall contain all of the following for each program:

- (a) The average cost per recipient served.
 - (b) Measurable performance indicators.
 - (c) Desired outcomes or results and goals that can be measured on an annual basis, or desired results for a defined number of years.
 - (d) Monitored results.
 - (e) Innovations that may include savings or reductions in administrative costs.
- (2) If money becomes available in part 1 for youth in transition and domestic violence prevention and treatment, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve the service spending plan within 30 calendar days after receipt of a properly completed service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 526. From the funds appropriated in part 1 for foster care payments and related administrative costs, the department may implement the federally approved title IV-E child welfare waiver demonstration project. As required under the waiver, any savings resulting from the demonstration project must be quantified and reinvested into child welfare programming.

Sec. 532. (1) The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review.

(2) The department shall conduct licensing reviews no more than once every 2 years for child placing agencies and child caring institutions that are nationally accredited and have no outstanding violations.

Sec. 533. (1) The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days of receiving all necessary documentation from those agencies.

(2) The department shall provide a report on the status of the implementation and operation of this section by February 15 of the current fiscal year.

Sec. 534. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year a report on the planning, implementation, and operation, regardless of the current operational status, of the statewide automated child welfare information system. The report shall include, but not be limited to, all of the following:

- (a) Areas where implementation went as planned.
- (b) The number of known issues.
- (c) The average number of help tickets submitted per day.
- (d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.
- (e) Any contract revisions to address known issues and volume of help tickets.
- (f) Other strategies undertaken to improve implementation.

Sec. 537. The department, in collaboration with child placing agencies, shall develop a strategy to implement section 1150 of the social welfare act, 1939 PA 280, MCL 400.1150. The strategy shall include a requirement that a department caseworker responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 1150 of the social welfare act, 1939 PA 280, MCL 400.1150.

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of foster care services not less than a \$37.00 administrative rate.

(2) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general independent living services not less than a \$28.00 administrative rate.

(3) From the funds appropriated in part 1, the department shall pay providers of independent living plus services statewide per diem rates for staff-supported housing and host-home housing based on proposals submitted in response to a solicitation for pricing. The independent living plus program provides staff-supported housing and services for foster youth ages 16 through 19 who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(4) From the funds appropriated in part 1, the department shall pay providers of foster care services an additional \$3.00 administrative rate, provided that section 117a of the social welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the county match rate for the additional administrative rate provided in this subsection. Payments under this subsection shall be made, not less than, on a monthly basis.

(5) If required by the federal government to meet title IV-E requirements, providers of foster care services shall submit quarterly expenditure reports to the department to identify actual costs of providing foster care services.

(6) From the funds appropriated in part 1, the department shall provide an increase to each private provider of residential services, if section 117a of the social welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the county match rate for the additional rate provided in this section.

Sec. 547. From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

Sec. 556. (1) No later than December 1 for the current fiscal year, the department shall provide an annual report to the subcommittees of the senate and house appropriations committees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the following:

- (a) The number of complaints filed by adoptive parents who were not notified that their adopted child had special needs.
- (b) The number of cases that received a new or revised determination of care rate as described in subsections (2) and (3), the total expenditures on the program, and the number of cases in each determination of care level of payment.

(2) From the funds appropriated in part 1 for the redetermined adoption assistance program and not later than January 1, 2015, the department shall implement a new state-funded program to allow adoptive parents to request a redetermination of their adoption assistance. Redetermined adoption assistance means a payment as determined by a certification that may be justified when extraordinary care or expense is required for a condition that existed or the cause of which existed before the adoption was finalized. A redetermined adoption assistance rate shall be determined in the same manner using the same criteria as the department uses to determine a support subsidy under section 115g(2) of the social welfare act, 1939 PA 280, MCL 400.115g. The amount of assistance shall be at least 95% of the maximum amount of assistance the department determines the child is eligible to receive and shall be requested as follows:

(a) For adoptive parents with effective adoption assistance agreements signed before January 1, 2015, the adoptive parent may request 1 redetermined adoption assistance certification. If a request for certification under this subdivision is made, it must be requested in writing and received by the department not later than March 31, 2015.

(b) For adoptive parents who sign an adoption assistance agreement on or after January 1, 2015, an adoptive parent may only ever request 1 redetermined adoption assistance certification per adoptee placed in the adoptive parent's home.

(3) If the department denies or the adoptive parent disagrees with the certification, the adoptive parent may request a hearing through an administrative law judge in a manner consistent with the rules promulgated under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(4) Not later than October 15, 2014, the department shall notify in writing all adoptive parents with adoption assistance agreements about their ability to request a certification for redetermined adoption assistance between January 1, 2015 and March 31, 2015. For all parents entering adoption assistance agreements after this notification, the department shall inform the adoptive parent in writing before the adoption is finalized of his or her right to request 1 certification for a redetermination per adoptee placed in the adoptive parent's home.

(5) If this section conflicts with a state statute enacted subsequent to this act, the state statute controls.

(6) "Certification" under this section means a determination of eligibility by the department that an adoptee is eligible for redetermined adoption assistance.

Sec. 558. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the training programs or courses provided through the child welfare training institute and the annual cost for each program or course.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services including the funds designated as 1-time basis only, the department shall allocate \$700,000.00 to the adoptive family support network to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) The adoptive family support network shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 560. The department, in conjunction with the state court administrative office and the foster care review board, shall coordinate a comprehensive training program for court personnel on the importance of parent-child visitations in foster care cases.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days of receiving a request for eligible reimbursements from a foster parent.

Sec. 563. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the number and percentage of department employees who had a satisfactory performance evaluation and the number and percentage of department employees who had an unsatisfactory performance evaluation.

Sec. 564. (1) The department shall develop a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet a 50% success rate, after accounting for factors outside of the caseworker's control.

(2) Per the court-ordered number of required meetings between caseworkers and parent, the caseworkers shall achieve a success rate of 65%, after accounting for factors outside of the caseworker's control.

Sec. 565. The department and private child placing agencies shall provide signed copies of the parent agency treatment plan service agreement, that must include, according to department policy, a written plan for parent-child visitation. The agreement should include a signature from the legal parent, when possible. If the parent does not sign the parent agency treatment plan service agreement, the department and private child placing agencies shall provide documentation as to why the parent did not sign the agreement. The supervisor assigned to a case that does not obtain the parent signature also shall provide documentation as to why the parent did not sign the agreement. The information and documentation described in this section shall be made available to the foster care review board upon request.

Sec. 566. For a child who is under court or state supervision, the MiTEAM family team meeting shall include a review of any psychotropic medication the child is currently prescribed, had been prescribed in the past, or had been recommended to take.

Sec. 567. (1) The caseworker or supervisor who is assigned to a foster care case is responsible for completing a medical passport for the cases assigned to him or her. If a child in foster care is transferred to a new placement or returned to his or her parent's or guardian's home, the medical passport and any school records in the caseworker's or supervisor's possession must be transferred within 2 weeks from the date of placement or return to the home.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the items described in subsection (1), including the following:

(a) The percentage of medical passports that were properly filled out.

(b) From the total medical passports transferred, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(c) From the total school records, the percentage that transferred within 2 weeks from the date of placement or return to the home.

Sec. 568. (1) From the funds appropriated in part 1 for adoption subsidies, the department shall pay a minimum adoption subsidy rate that is not less than 95% of the rate that was or would have been provided for the adoptee in family foster care at the time of the adoption. This rate includes the determination of care rate that was paid or would have been paid to the adoptive parent for the adoptee in a family foster care placement, and this amount shall be increased to reflect any increase in the standard age appropriate foster care rate.

(2) "Determination of care rate" as described in this section means a supplemental payment to the standard age appropriate foster care rate that may be justified when extraordinary care or expense is required. The supplemental payment is based on 1 or more of the following case situations where additional care is required of the foster care provider or adoptive parent or an additional expense exists:

(a) Physically disabled children for whom the adoptive parent must provide measurably greater supervision and care.

(b) Children with special psychological or psychiatric needs that require extra time and measurably greater amounts of care and attention by the adoptive parent.

(c) Children requiring special diets that are more expensive than a normal diet and that require extra time and effort by the adoptive parent to obtain or prepare.

(d) Children whose severe acting-out or antisocial behavior requires a measurably greater amount of care and attention of the adoptive parent.

(3) The department shall, on a separate form, allow an adoptive parent to sign a certification that he or she rejects a support subsidy.

(4) If this section conflicts with state statute enacted subsequent to this act, the state statute controls.

Sec. 569. The department shall reimburse private child placing agencies that complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, \$2,500,000.00 is allocated to support performance-based contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive \$2,300.00 for each facilitated licensure if completed within 180 days after a child's placement or, if a waiver was previously approved, 180 days from the application date. If the facilitated licensure, or approved waiver, is completed after 180 days, the agency shall receive up to \$2,300.00. The agency facilitating the licensure would retain the placement and continue to provide case management services for at least 50% of the newly licensed cases for which the placement was appropriate to the agency. Up to 50% of the newly licensed cases would have direct foster care services provided by the department.

(2) From the funds appropriated for foster care payments, \$375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 583. By February 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices a report that includes:

(a) The number and percentage of foster parents that dropped out of the program in the previous fiscal year and the reasons the foster parents left the program and how those figures compare to prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how those figures compare to prior fiscal years.

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 587. (1) From the funds appropriated in part 1 to in-home community care programs including the funds designated as 1-time basis only, \$1,250,000.00 shall be used to expand or create new in-home care and community-based juvenile justice services to rural counties through a grant-making process. Counties that received funds for the purpose described in section 587 of article X of 2013 PA 59 are not eligible to receive the funds in this section. The department shall expend the full amount of funds for the purpose described in this section by September 1 of the current fiscal year.

(2) By March 1 of the current fiscal year, the department shall submit a report that describes the program expansion and expenditures in detail to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 588. (1) Concurrently with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, without revision.

(2) The department shall report quarterly to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, on the number of children enrolled in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services beginning on October 1, 2013.

(2) On a monthly basis, the department shall report on the number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 590. From the funds appropriated in part 1, the department shall provide \$30,000.00 for the task force on the prevention of sexual abuse of children defined under section 12b of the child protection law, 1975 PA 238, MCL 722.632b. Use of funds shall be limited to providing reimbursements to task force members for mileage and other travel expenses related to task force operations.

Sec. 592. (1) The department shall conduct a workgroup to assess the feasibility of reorganizing all child welfare and juvenile justice functions within the department into an autonomous agency through a type I transfer under the executive organization act of 1965, 1965 PA 380, MCL 16.101 to 16.608.

(2) By March 1, 2015, the department shall provide a report on the findings of the workgroup described in this section to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director.

PUBLIC ASSISTANCE

Sec. 601. Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vrending has been requested meets applicable local housing codes. Vrending shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall establish a policy to conduct a full evaluation of an individual's assistance needs if the individual has applied for disability 2 times within a 1-year period. Subject to federal approval, individuals are not permitted to apply for disability assistance more than 2 times in 1 year.

Sec. 603. (1) The department shall conduct a workgroup in conjunction with the department of community health and members from both the senate and house of representatives to determine how the state can maximize Medicaid claims for community-based and outpatient treatment services to foster care children and adjudicated youths who are placed in community-based treatment programs. The workgroup shall address the following questions and develop an action plan to implement the feasible items:

(a) Could the department of community health change Medicaid health plan contracts to require the use of the child and adolescent needs and strengths assessment tool?

(b) Could the thresholds for the screening tools for children with mild to moderate mental health needs be changed?

(c) Could the 20-session limit for children and youths not labeled seriously emotionally disturbed be changed to increase coverage?

(d) Could therapeutic interventions such as in-home services or wraparound be substituted for current talk therapy benefits?

(e) Could the community mental health services program provide the mild to moderate treatment that the Medicaid health plans currently provide and does federal law permit this change?

(f) Regarding assessment of children with serious emotional disturbance, which assessment takes precedence if more than 1 tool was used in an evaluation and the conclusions differ?

(g) Could the thresholds to determine serious emotional disturbance be changed, and if so, would a change impact Medicaid eligibility and funding?

(h) Is there a cap on the 1915B waiver, and if not, in what ways could this state access additional intervention services for children with serious emotional disturbance?

(i) How can the department, the department of community health, and the courts take an active role to ensure that adjudicated youths who remain at home are enrolled in Medicaid, if eligible?

(j) What are the needed changes to create a clear policy on suspension or termination of Medicaid for adjudicated youths?

(k) What are the needed changes to update Medicaid system changes?

(l) What can the department do to train the courts on Medicaid eligibility and policy regarding adjudicated youths?

(2) By March 1, 2015, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the workgroup findings and requirements described in subsection (1).

Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

(a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) A person with a physical or mental impairment which meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.

(c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance abuse treatment center.

(d) A person receiving 30-day postresidential substance abuse treatment.

(e) A person diagnosed as having acquired immunodeficiency syndrome.

(f) A person receiving special education services through the local intermediate school district.

(g) A caretaker of a disabled person who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) Applicants for and recipients of the state disability assistance program shall be considered needy if they:

(a) Meet the same asset test as is applied for the family independence program.

(b) Have a monthly budgetable income that is less than the payment standards.

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling,

then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income provided that the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state supplementation level.

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

(2) For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

(3) State emergency relief payments shall not be made to individuals who have been found guilty of fraud in regard to obtaining public assistance.

(4) State emergency relief payments shall not be made available to persons who are out-of-state residents or illegal immigrants.

(5) State emergency relief payments for rent assistance shall be distributed directly to landlords and shall not be added to Michigan bridge cards.

Sec. 611. The state supplementation level under the supplemental security income program for the living independently or living in the household of another categories shall not exceed the minimum state supplementation level as required under federal law or regulations.

Sec. 612. The department shall implement an asset test as part of the eligibility determination for applicants and existing recipients of the refugee assistance program medical benefits.

Sec. 613. The department shall provide reimbursements for the final disposition of indigent persons. The maximum allowable reimbursement for the final disposition shall be \$800.00. In addition, reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will also be made available for an eligible cremation. The reimbursements under this section shall account for religious preferences that prohibit cremation.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require retailers that participate in the electronic benefits transfer program to charge no more than \$2.50 in fees for cash back as a condition of participation.

Sec. 617. The department shall prepare a report on the number and percentage of public assistance recipients, categorized by type of assistance received, who were no longer eligible for assistance because of their status in the law enforcement information network and provide the report by February 15 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

Sec. 619. (1) Subject to subsection (2), the department shall exempt from the denial of title IV-A assistance and food assistance benefits under 21 USC 862a any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, provided that the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

(a) A third-party payee or vendor shall be required for any cash benefits provided.

(b) An authorized representative shall be required for food assistance receipt.

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted in 2 or more separate cases of a felony that included the possession, use, or distribution of a controlled substance after August 22, 1996.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 60 days after all information to make the determination is received from the applicant if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days of application.

(2) The department shall report on a quarterly basis by February 1, May 1, August 1, and November 1 to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the average Medicaid eligibility standard of promptness for each of the required standards of promptness under subsection (1) and for medical review team reviews achieved statewide and at each local office.

Sec. 622. (1) Subject to federal rules and regulations, the department shall implement a 1-page application for disability redetermination for all disability redetermination applications and cases no later than November 1, 2014.

(2) If the department is not able to implement the 1-page application described in subsection (1), the department shall submit a waiver request to the United States government to allow the department to implement a 1-page application for disability redeterminations for children and adults who are severely mentally, physically, or developmentally disabled with little or no change of recovery to their chronic condition. The waiver request shall emphasize the expediency, efficiency, and added simplification of a 1-page application for disability redetermination.

Sec. 625. The department may contract with the legal services association of Michigan to provide assistance to individuals who have applied for or wish to apply for SSI or other federal disability benefits. The legal services association of Michigan shall provide a list of new clients accepted to the department to verify that services have been provided to department clients. The legal services association of Michigan and the department shall work together to develop release forms to share information in appropriate cases. The legal services association of Michigan shall provide quarterly reports indicating cases opened, cases closed, level of services provided on closed cases, and case outcomes on closed cases.

Sec. 626. The department shall collaborate with the department of community health to identify any needed funding, accounting, or other changes needed to provide the department of community health with travel data relating to nonemergency medical services transportation, including, but not limited to, methods of travel, number of people served, travel distances, number of trips, and costs of trips.

Sec. 643. As a condition of receipt of federal TANF funds, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements which exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 655. Within 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures, to the chairpersons of the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 657. The department shall notify persons eligible for extended family independence program benefits under section 57s of the social welfare act, 1939 PA 280, MCL 400.57s, that receiving extended family independence program benefits will count toward the federal and state lifetime limits. This notification shall be included in both the public assistance application and the letter or form that notifies a person of eligibility for extended family independence program benefits.

Sec. 660. From the funds appropriated in part 1 for food bank funding, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Sec. 669. The department shall allocate \$2,880,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group that does not include an adult.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards.

(2) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) On a monthly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to partnership. accountability. training. hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a quarterly report that includes all of the following:

- (a) The number and percentage of nonexempt family independence program recipients who are employed.
- (b) The average and range of wages of employed family independence program recipients.
- (c) When data become available, the number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall require caseworkers to confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than \$200,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall require caseworkers to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits. On a monthly basis, the department shall provide the department of community health an updated list of telephone numbers for medical assistance recipients.

Sec. 687. (1) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, Medicaid, and state emergency relief:

- (a) The number of applications received.
- (b) The number of applications approved.
- (c) The number of applications denied.
- (d) The number of applications pending and neither approved nor denied.
- (e) The number of cases closed.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website the family independence program information listed as follows:

(a) The number of new applicants who successfully met the requirements of the 21-day assessment period for partnership. accountability. training. hope.

(b) The number of new applicants who did not meet the requirements of the 21-day assessment period for partnership. accountability. training. hope.

- (c) The number of cases sanctioned because of the school truancy policy.
- (d) The number of cases closed because of the 48-month and 60-month lifetime limits.
- (e) The number of first-, second-, and third-time sanctions.
- (f) The number of children ages 0-5 living in FIP-sanctioned households.

(4) The department shall notify the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices when the reports required in this section are made available on the department's website.

Sec. 695. (1) From the funds appropriated in part 1 for multicultural integration funding, the department may require each contractor to provide data and information on performance-related metrics. These metrics may include, but are not limited to, all of the following:

(a) Each contractor or subcontractor shall have a mission that is consistent with the purpose of multicultural integration funding.

(b) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(c) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(d) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(e) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(2) The department shall require an annual report from the contractors that receive multicultural integration funding. The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

(3) The department of community health and the department shall convene a workgroup to discuss and make recommendations on including accreditation in the contractor specifications and potentially moving toward competitive bidding. Each contractor required to provide data per this section shall be invited to participate in the workgroup if so convened.

JUVENILE JUSTICE SERVICES

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

Sec. 702. (1) By December 1, 2014, the department, in conjunction with the department of community health, shall submit a waiver request to the federal government to expand Medicaid coverage to children in need of secure residential treatment in this state. The waiver request must include a plan to provide secure stabilization services, assessment, and treatment. The request must include recommendations to make 1 or more of the public juvenile detention facilities or private secure residential facilities eligible to be Medicaid providers. To the extent feasible, the request must use the Medicaid reimbursement model that is currently in place in Vermont at the Woodside Juvenile Rehabilitation Center.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by December 15 of the current fiscal year a copy of the waiver request described in subsection (1).

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the status of the Medicaid waiver request described in subsection (1).

Sec. 703. (1) From the funds appropriated in part 1 for juvenile justice vision 20/20, the department shall allocate \$1,000,000.00 for the information technology services and projects described in subsection (2). Any unexpended or unencumbered funds appropriated for the services and projects described in subsection (2) are considered work project appropriations and are available for expenditure in the succeeding fiscal year.

(2) The department shall use the funds described in subsection (1) to implement a data exchange for use by the department, circuit and probate courts, private juvenile justice agencies, and the state court administrative office under the guidance of appropriate data sharing agreements that tracks statistical and demographic data on juveniles referred to the family division of the circuit court, otherwise known as the juvenile courts after successful implementation and evaluation of the existing pilot database in Ottawa, Kalamazoo, Kent, Ionia, and Berrien Counties. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to implement a new juvenile justice data sharing model that will track data on juveniles referred to the courts.

(b) The project will be accomplished by local court staff, state employees, contracts with private vendors, and juvenile justice stakeholders.

(c) The total estimated cost of the project is \$5,550,000.00.

(d) The tentative completion date is September 30, 2019.

(e) The data exchange shall be compatible with MiSACWIS.

(3) The department's director of children's services administration or his or her designee shall serve as a juvenile justice vision 20/20 executive team member.

(4) The department, in collaboration with the state court administrative office and the department of technology, management, and budget, shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the status of the implementation items described in subsections (1) and (2).

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by December 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve within 30 calendar days after receipt a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and shall notify a county within 30 days after approval that its service plan was approved.

(2) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by October 1 and the number of service spending plans not approved by December 15.

Sec. 711. Unless already provided in the previous fiscal year, the department shall submit the behavioral health study of juvenile justice facilities operated or contracted for by the state not later than June 30 of the current fiscal year to the senate and house appropriations subcommittees on human services, the senate and house fiscal agencies and policy offices, and the state budget director.

Sec. 719. The department shall notify the legislature at least 30 days before closing or making any change in the status, including the licensed bed capacity and operating bed capacity, of a state juvenile justice facility.

Sec. 721. If the demand for placements at state-operated juvenile justice residential facilities exceeds capacity, the department shall not increase the available occupancy or services at the facilities, and shall post a request for proposals for a contract with not less than 1 private provider of residential services for juvenile justice youth to be a residential facility of last resort.

LOCAL OFFICE SERVICES

Sec. 750. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, and hospitals unless a community-based organization, community mental health agency, nursing home, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into a contract with any agency that places a request for a donated funds position and is able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations. If the department denies a request, the department shall provide to the agency that made the request the federal statute or regulation that requires the denial. If the department does not provide the statute or regulation to the agency, the department shall grant the request for the donated funds position.

(3) A contract for a donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

Sec. 751. (1) From the funds appropriated in part 1 for Healthy Michigan plan administration, the department, in conjunction with the department of community health, shall establish an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified. By October 1, 2014, the department shall provide the state budget office and the house and senate fiscal agencies with the relevant accounting structure and associated business objects script and report that groups administrative costs.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a quarterly report on the implementation status of the Healthy Michigan call center that includes all of the following information:

(a) Call volume during the prior quarter.

(b) Percentage of calls resolved through the Healthy Michigan plan call center.

(c) Percentage of calls transferred to a local department office or other office for resolution.

(d) Number of Medicaid applications completed by the Healthy Michigan call center staff and submitted on behalf of clients.

CHILD SUPPORT ENFORCEMENT

Sec. 901. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than \$26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches \$15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than \$26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 909. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

Sec. 910. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

(2) The department shall notify the chairs of the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15 days of the authorization adjustment in subsection (1).

INFORMATION TECHNOLOGY

Sec. 1001. The department shall reduce the number of computers receiving technical support from the department of technology, management, and budget by 500 no later than November 1, 2014.

COMMUNITY ACTION AND ECONOMIC OPPORTUNITY

Sec. 1105. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of homes, the approximate value of each home, whether the home is a single-family or multifamily home, and the square footage of each home weatherized through the appropriations in section 104 during the preceding quarter of the calendar year. The report shall also include the percentage of homes weatherized during the preceding quarter of the calendar year that were renter-occupied.

Sec. 1106. (1) By November 1, 2014, the department shall work in conjunction with the department of community health, the Michigan community action agency association, and the Michigan state housing development authority to appoint members to a joint task force to review housing rehabilitation, energy and weatherization, and hazard abatement program policies and to make recommendations for integrating and coordinating project delivery with the goals of serving more families and achieving better outcomes by maximizing state and federal resources. The task force shall include a representative of the healthy homes section, lead safe home program, the department of community health, a construction management specialist, community development division, Michigan state housing development authority, an energy and weatherization staff representative from the department, a local weatherization operator, a certified lead professional or a certified lead contractor, and representatives from at least 2 community organizations that address harmful housing conditions. The department of community health and the Michigan state housing development authority shall organize the initial meeting of the task force and shall provide administrative support for the task force.

(2) By March 1, 2015, the task force described in subsection (1) shall provide to the house and senate chairs of the appropriations subcommittees for the budgets of the department, the department of community health, and the Michigan state housing development authority, the senate and house fiscal agencies, and the senate and house policy offices a report of its findings and recommendations.

Sec. 1107. Subject to federal approval, the department and community action agencies shall give first priority for weatherization services to eligible clients who have a child with a documented blood lead level above 5 micrograms per deciliter (µg/dL).

Sec. 1108. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate \$300,000.00 to support the northeast Michigan community services agency and expand programming to 4 new counties. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

- (a) Increasing school attendance and decreasing chronic absenteeism.
- (b) Increasing academic performance based on grades with emphasis on math and reading.
- (c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.
- (d) Increasing parent involvement with the parent's child's school and community.

(2) The northeast Michigan community services agency shall provide reports to the department on January 31 and June 30 of the current fiscal year on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, and house and senate policy offices.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1201. From the funds appropriated in part 1 for performance-based funding implementation, the department shall allocate \$100,000.00 to the County of Kent to allow the Kent County private steering consortia to contract for an independent project manager to provide guidance and technical assistance. The independent project manager shall report directly to the Kent County private steering consortia.

Sec. 1202. (1) From the funds appropriated in part 1 for the Flint Catholic charities center for hope, the department shall allocate \$250,000.00 to restore and renovate the building where the center for hope is located and other necessary expenses. The funds shall be used to contribute to the restoring hope campaign for the purpose described in this section.

(2) The Flint Catholic charities center for hope shall provide a report by March 1 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the total amount of state funding expended for the items described in subsection (1), including, but not limited to, how the state funding was spent, the current status of the project, and any cost overruns.

(3) If the state determines that the Flint Catholic charities center for hope has misused the funds appropriated in this section, the Flint Catholic charities center for hope shall reimburse the state for the amount of state funding misused.

Sec. 1203. From the funds appropriated in part 1, the department shall allocate \$300,000.00 to assist private child welfare service providers to meet the implementation requirements of the statewide automated child welfare information system.

Sec. 1204. From the funds appropriated in part 1 for fostering futures trust fund, if the foster care trust fund act, 2008 PA 525, MCL 722.1021 to 722.1031, is amended to create the fostering futures trust fund, \$500,000.00 shall be deposited into the fund for use in accordance with that act.

Sec. 1205. (1) From the funds appropriated in part 1 for Michigan community services commission, the department shall allocate not less than \$350,000.00 to the Michigan reading corps to provide literacy services and tutors for students in grades K-3 who are identified as being at-risk of reading failure at elementary schools throughout the state.

(2) The Michigan reading corps shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on outcomes and performance measures of the Michigan reading corps, including, but not limited to, the following specific performance measures:

- (a) More than 95% of the K-3 students receiving reading corps services shall demonstrate a positive trend toward reading at grade level.

(b) At least 60% of K-3 students receiving reading corps services shall achieve reading at their grade level or gain at least 1-1/2 year's growth.

(3) If the state determines that the Michigan reading corps has misused the funds appropriated in this section, the Michigan reading corps shall reimburse the state for the amount of state funding misused.

ARTICLE XI
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the department of insurance and financial services, subject to the conditions set forth in part 2, for the fiscal year ending September 30, 2015, from the funds identified in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	337.0	
GROSS APPROPRIATION	\$	65,189,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		707,600
ADJUSTED GROSS APPROPRIATION	\$	64,482,100
Federal revenues:		
Total federal revenues		2,000,000
Special revenue funds:		
Total other state restricted revenues		62,427,100
State general fund/general purpose	\$	55,000

Sec. 102. DEPARTMENT SERVICES

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	41.0	
Unclassified salaries—6.0 FTE positions	\$	717,500
Executive director programs—4.0 FTE positions.....		1,011,200
Department services—37.0 FTE positions		8,241,900
Property management		628,100
Rent.....		258,800
Worker's compensation		6,200
Administrative hearings.....		182,500
GROSS APPROPRIATION	\$	11,046,200
Appropriated from:		
Special revenue funds:		
Bank fees.....		1,424,000
Consumer finance fees		637,200
Credit union fees.....		1,168,000
Deferred presentment service transaction fees		502,700
Insurance bureau fund.....		3,583,800
Insurance continuing education fees		224,000
Insurance licensing and regulation fees		2,754,900
MBLSLA fund.....		696,600
State general fund/general purpose	\$	55,000

Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION

Full-time equated classified positions	296.0	
Insurance evaluation—54.0 FTE positions	\$	13,249,700

	For Fiscal Year Ending Sept. 30, 2015
Insurance rates and forms—30.0 FTE positions	\$ 5,354,600
Financial institutions evaluation—131.0 FTE positions	18,869,800
Regulatory compliance, market conduct, and licensing—58.0 FTE positions	10,355,900
Consumer services and protection—23.0 FTE positions	4,045,800
GROSS APPROPRIATION	\$ 51,875,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG - LARA, for debt management	707,600
Federal revenues:	
Federal revenues	2,000,000
Special revenue funds:	
Bank fees	6,754,700
Captive insurance regulatory and supervision fund	279,400
Consumer finance fees	4,149,500
Credit union fees	6,296,300
Deferred presentment service transaction fees	2,553,500
Insurance bureau fund	19,122,900
Insurance continuing education fees	890,800
Insurance licensing and regulation fees	4,892,800
MBLSLA fund	4,147,600
Multiple employer welfare arrangement	80,700
State general fund/general purpose	\$ 0

Sec. 104. INFORMATION TECHNOLOGY

Information technology services and projects	\$ 2,267,700
GROSS APPROPRIATION	\$ 2,267,700
Appropriated from:	
Special revenue funds:	
Bank fees	255,700
Consumer finance fees	35,600
Credit union fees	253,300
Deferred presentment service transaction fees	114,900
Insurance bureau fund	734,100
Insurance continuing education fees	11,400
Insurance licensing and regulation fees	757,900
MBLSLA fund	104,800
State general fund/general purpose	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$62,482,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$0.00.

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the department of insurance and financial services.

(b) "Director" means the director of the department.

(c) "Fiscal agencies" means Michigan house fiscal agency and Michigan senate fiscal agency.

(d) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 205. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 208. The departments and agencies receiving appropriations in this part and part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in this part and part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The department and agencies receiving appropriations in this part and part 1 shall receive and retain copies of all reports funded from appropriations in this part and part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies or reports unless otherwise required by federal and state guidelines.

Sec. 215. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the fiscal agencies.

Sec. 218. The departments and agencies receiving appropriations in this part and part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. No later than April 1, the department shall submit to the subcommittees and the fiscal agencies a report pertaining to the following information:

(a) The amount, in square footage, of office space paid for with the appropriation in this part and part 1 for both state-owned and leased office space, respectively, during the previous fiscal year.

(b) The amount, in square footage, of office space actually utilized by the department for both state-owned and leased office space, respectively, during the previous fiscal year.

(c) The amount of office space the department estimates will be utilized during the current and subsequent fiscal years.

Sec. 221. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 223. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 228. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 229. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 231. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 232. The department shall not develop or produce any television or radio productions.

Sec. 234. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees chairs, and the fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 235. Total authorized appropriations from all sources under this part and part 1 for legacy costs for the fiscal year ending September 30, 2015 is \$10,148,200.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$5,627,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$4,521,000.00.

Sec. 240. (1) It is the intent of the legislature that departments and agencies receiving appropriations in this part and part 1 properly account for their spending and do not use full-time equated positions as placeholders for spending in other parts of their budgets.

(2) No later than February 1, the department shall provide a report to the legislature specifying the number of filled, full-time equated positions in pay status within each agency receiving appropriations in this part and part 1 during the immediately preceding fiscal year. When reporting on the number of filled, full-time equated positions in pay status, the department shall provide the maximum number of filled, full-time equated positions in pay status by appropriation line item in the last pay period of each quarter of the immediately preceding fiscal year. The report shall also include a list of all funded, full-time equated positions by position title. The report shall indicate which full-time equated positions are allocated to economic development and economic development planning.

Sec. 245. The department, in conjunction with the department of community health, shall establish an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified. By October 1, 2014, the department shall provide the state budget office and the fiscal agencies with the relevant accounting structure and associated business objects script and report that groups administrative costs.

Sec. 246. (1) The amount appropriated from the general fund in part 1 for executive director program may only be expended to comply with reporting requirements regarding the Healthy Michigan plan pursuant to section 105d(9) of the social welfare act, 1939 PA 280, MCL 400.105d.

(2) Prior to expending the amount described in subsection (1), the department shall acquire at least 2 bids for the project.

INSURANCE AND FINANCIAL SERVICES REGULATION

Sec. 310. (1) No later than February 1, the department shall submit a report to the subcommittees and the fiscal agencies providing the following information:

(a) The amounts expended, by fund source, by the department to support the economic development of the insurance or financial industries during the preceding fiscal year.

(b) The number of full-time equated positions utilized by the department to support the economic development of the insurance or financial industries during the preceding fiscal year.

(c) A detailed, 2-year plan for departmental activities to support the economic development of the insurance or financial industries.

(2) For purposes of subsection (1), "economic development" includes any activities to encourage, promote, or advocate for the expansion, retention, or attraction of business or nonprofit entities engaged in or involved with the insurance or financial industries.

Sec. 391. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship pursuant to section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated pursuant to the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

AUTISM COVERAGE

Sec. 802. (1) Each fiscal year, if expenditures are made from the autism coverage fund, created by section 7 of the autism coverage reimbursement act, 2012 PA 101, MCL 550.1837, the department shall produce a report that contains all of the following information on the autism coverage reimbursement program, established by section 5 of the autism coverage reimbursement act, 2012 PA 101, MCL 550.1835, for the fiscal year:

(a) The total number of claims for reimbursement approved and the number approved within each county, based on the provider's location.

(b) The total amount expended from the autism coverage fund for reimbursements and the amount for each carrier receiving reimbursement.

(c) The average age of patients receiving diagnosis or treatment for which claims for reimbursement are approved.

(2) By October 31 following the end of the fiscal year, the department shall provide the report required under subsection (1) to the subcommittees, the fiscal agencies, and the state budget director.

ARTICLE XII

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2015, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions.....	488.0		
GROSS APPROPRIATION		\$	287,767,600
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers.....			2,364,400
ADJUSTED GROSS APPROPRIATION		\$	285,403,200
Federal revenues:			
Total federal revenues			6,437,400
Special revenue funds:			
Total local revenues.....			7,241,100
Total private revenues.....			944,800
Total other state restricted revenues			84,252,500
State general fund/general purpose		\$	186,527,400

Sec. 102. SUPREME COURT

Full-time equated exempted positions.....	246.0		
Supreme court administration—92.0 FTE positions.....		\$	13,371,800
Judicial institute—13.0 FTE positions.....			2,166,300
State court administrative office—61.0 FTE positions			11,873,900
Judicial information systems—22.0 FTE positions			3,072,200
Direct trial court automation support—44.0 FTE positions.....			7,241,100
Foster care review board—10.0 FTE positions.....			1,290,800
Community dispute resolution—3.0 FTE positions			2,368,400
Other federal grants.....			275,100
Drug treatment courts.....			10,958,000
Mental health courts and diversion services—1.0 FTE position			5,834,800
Veterans courts			500,000
Community court pilot project.....			20,000
Swift and sure sanctions program.....			6,000,000
Next generation Michigan court system.....			4,125,000
GROSS APPROPRIATION		\$	69,097,400
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of state police.....			1,500,000
IDG from department of corrections			50,000
IDG from state police - Michigan justice training fund.....			339,700
Federal revenues:			
DOJ, victims assistance programs.....			56,500
DOJ, drug court training and evaluation			300,000
DOT, national highway traffic safety administration.....			2,204,300
HHS, access and visitation grant			613,500
HHS, children's justice grant			229,900
HHS, court improvement project.....			1,293,300
HHS, title IV-D child support program			1,012,000
HHS, title IV-E foster care program.....			387,300
Other federal grant revenues.....			275,100
Special revenue funds:			
Local - user fees.....			7,241,100
Private			188,500
Private - interest on lawyers trust accounts.....			259,200
Private - state justice institute.....			414,300

		For Fiscal Year Ending Sept. 30, 2015
Community dispute resolution fund.....	\$	2,368,400
Court of appeals filing/motion fees.....		1,641,800
Law exam fees		641,100
Drug court fund		1,920,500
Miscellaneous revenue		271,300
Justice system fund		568,100
State court fund		378,000
State general fund/general purpose	\$	44,943,500
Sec. 103. COURT OF APPEALS		
Full-time equated exempted positions.....	175.0	
Court of appeals operations—175.0 FTE positions	\$	22,708,200
GROSS APPROPRIATION	\$	22,708,200
Appropriated from:		
State general fund/general purpose	\$	22,708,200
Sec. 104. BRANCHWIDE APPROPRIATIONS		
Full-time equated exempted positions.....	4.0	
Branchwide appropriations—4.0 FTE positions	\$	8,772,700
GROSS APPROPRIATION	\$	8,772,700
Appropriated from:		
State general fund/general purpose	\$	8,772,700
Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
Full-time judges positions.....	593.0	
Supreme court justices' salaries—7.0 justices.....	\$	1,152,300
Court of appeals judges' salaries—27.0 judges		4,126,700
District court judges' state base salaries—243.0 judges		22,581,700
District court judicial salary standardization		11,156,700
Probate court judges' state base salaries—103.0 judges.....		9,627,900
Probate court judicial salary standardization.....		4,669,600
Circuit court judges' state base salaries—213.0 judges		20,181,700
Circuit court judicial salary standardization		9,796,400
Judges' retirement system defined contributions.....		4,220,100
OASI, social security.....		5,563,300
GROSS APPROPRIATION	\$	93,076,400
Appropriated from:		
Special revenue funds:		
Court fee fund		2,988,100
State general fund/general purpose	\$	90,088,300
Sec. 106. JUDICIAL AGENCIES		
Full-time equated exempted positions.....	7.0	
Judicial tenure commission—7.0 FTE positions	\$	1,120,700
GROSS APPROPRIATION	\$	1,120,700
Appropriated from:		
State general fund/general purpose	\$	1,120,700
Sec. 107. INDIGENT DEFENSE - CRIMINAL		
Full-time equated exempted positions.....	55.0	
Appellate public defender program—44.0 FTE positions.....	\$	6,816,500
Appellate assigned counsel administration—7.0 FTE positions		1,063,600
Michigan indigent defense commission—4.0 FTE positions		1,000,000
GROSS APPROPRIATION	\$	8,880,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from state police - Michigan justice training fund.....		474,700

Federal revenues:		
Other federal grant revenues.....	\$	65,500
Special revenue funds:		
Private - interest on lawyers trust accounts.....		82,800
Miscellaneous revenue		133,200
State general fund/general purpose	\$	8,123,900

Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE

Indigent civil legal assistance.....	\$	7,937,000
GROSS APPROPRIATION	\$	7,937,000
Appropriated from:		
Special revenue funds:		
State court fund		7,937,000
State general fund/general purpose	\$	0

Sec. 109. TRIAL COURT OPERATIONS

Court equity fund reimbursements.....	\$	60,835,100
Judicial technology improvement fund		4,815,000
Drug case-flow program.....		250,000
Drunk driving case-flow program.....		3,300,000
Juror compensation reimbursement.....		6,600,000
GROSS APPROPRIATION	\$	75,800,100
Appropriated from:		
Special revenue funds:		
Court equity fund		50,440,000
Judicial technology improvement fund		4,815,000
Drug fund.....		250,000
Drunk driving fund.....		3,300,000
Juror compensation fund.....		6,600,000
State general fund/general purpose	\$	10,395,100

Sec. 110. ONE-TIME APPROPRIATIONS

Full-time equated exempted positions.....1.0		
Trial court innovation fund—1.0 FTE position	\$	375,000
GROSS APPROPRIATION	\$	375,000
Appropriated from:		
State general fund/general purpose	\$	375,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$270,779,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$139,407,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

State court administrative office	\$	162,500
Drug treatment courts.....		10,658,000
Mental health courts and diversion services		5,722,800
Veterans courts.....		500,000

		For Fiscal Year Ending Sept. 30, 2015
Swift and sure sanctions program.....	\$	5,900,000
Next generation Michigan court system.....		4,125,000
TRIAL COURT OPERATIONS		
Court equity fund reimbursements.....	\$	60,835,100
Judicial technology improvement fund.....		4,815,000
Trial court innovation fund.....		337,500
Drunk driving case-flow program.....		3,300,000
Drug case-flow program.....		250,000
Juror compensation reimbursement.....		6,600,000
JUSTICES' AND JUDGES' COMPENSATION		
District court judicial salary standardization.....	\$	11,156,700
Probate court judges' state base salaries.....		9,627,900
Probate court judicial salary standardization.....		4,669,600
Circuit court judicial salary standardization.....		9,796,400
Grant to OASI contribution fund, employers share, social security.....		950,900
TOTAL.....	\$	139,407,400

Sec. 202. (1) The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this part and part 1:

- (a) "DOJ" means the United States department of justice.
- (b) "DOT" means the United States department of transportation.
- (c) "FTE" means full-time equated.
- (d) "HHS" means the United States department of health and human services.
- (e) "IDG" means interdepartmental grant.
- (f) "OASI" means old age survivor's insurance.

Sec. 204. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 205. It is the intent of the legislature that judges who are presiding over a hearing on a foster care case shall publicly acknowledge and request the input of the foster parent or foster parents during the hearing.

Sec. 207. If the judicial branch makes any changes to a foster care family service plan before its finalization, it is the intent of the legislature that the presiding judge provide an explanation for any changes to that plan in the court record.

Sec. 208. The reporting requirements of this part shall be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the Internet to fulfill the reporting requirements of this part. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. (1) If funds become available in part 1 for juvenile justice vision 20/20, the state court administrative office shall implement the information technology services and projects described in subsection (2).

(2) The state court administrative office shall use the funds described in subsection (1) to implement a data exchange for use by circuit and probate courts, private juvenile justice agencies, and the state court administrative office under the guidance of appropriate data sharing agreements that tracks statistical and demographic data on juveniles referred to the family division of the circuit court, otherwise known as the juvenile courts, after successful implementation and evaluation of the existing pilot database in Ottawa, Kalamazoo, Kent, Ionia, and Berrien Counties.

(3) It is the intent of the legislature that the purpose of the project is to implement a new juvenile justice data sharing model that will track data on juveniles referred to the courts. The project will be accomplished by local court staff, state employees, contracts with private vendors, and juvenile justice stakeholders. The total estimated cost of the project is \$5,550,000.00. The tentative completion date is September 30, 2019. The data exchange shall be compatible with the Michigan statewide automated child welfare information system.

(4) If funding becomes available for the project, the state court administrative office shall submit a report by March 1 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the status of the implementation items described in subsections (1) and (2) should funding become available.

Sec. 211. From the funds appropriated in part 1, the judicial branch shall establish an interagency agreement with the department of human services and the department of corrections linking the swift and sure sanctions program with the Michigan rehabilitative services program. Funds shall be used to contract with accredited, community-based rehabilitation organizations for job placement and other support services for eligible probationers. The purpose of this relationship is to utilize synergies that exist between the client bases and determine eligibility of offenders in the swift and sure sanctions program for services rendered by the Michigan rehabilitative services program. These funds shall be used to assist individuals who have a history of probation violations and mental health needs but shall not be used for individuals who are currently incarcerated. If future legislation allows for parolees to participate in the swift and sure sanctions program under chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, funds may be utilized for individuals participating as parolees.

Sec. 212. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 214. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 215. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 221. From the funds appropriated in part 1, the judicial branch shall develop, post, and maintain, on a user-friendly and publicly accessible Internet site, all expenditures made by the judicial branch within a fiscal year. The posting shall include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 222. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on judiciary, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 223. The judiciary shall maintain, on a publicly accessible website, a scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the judiciary's performance.

Sec. 224. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$14,307,500.00. From this amount, total appropriations for judiciary pension-related legacy costs are estimated at \$7,996,600.00. Total appropriations for judiciary retiree health care legacy costs are estimated at \$6,310,900.00.

Sec. 225. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the judiciary shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures.

(2) By November 1, the judiciary shall report the proposed benchmarks to the senate and house appropriations subcommittees on judiciary, to the senate and house fiscal agencies, and to the state budget director.

(3) The judiciary shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(4) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

JUDICIAL BRANCH

Sec. 301. Pursuant to the appropriations in part 1, the direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$511,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 306. The supreme court and the state court administrative office shall continue to maintain, as a priority, the assisting of local trial courts in improving the collection of judgments.

Sec. 307. From the funds appropriated in part 1 for mental health courts and diversion services, \$1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation.

Sec. 309. By April 1, the state court administrative office shall provide an update on the status of the mental health courts to the state budget director, the senate and house appropriations subcommittees on judiciary, and the senate and house fiscal agencies.

Sec. 310. From the funds appropriated in part 1 for drug treatment court programs, with the approval of and at the discretion of the supreme court, the state court administrative office shall evaluate and collect data on the performance of drug treatment court programs. The state court administrative office shall provide an annual review of the performance of drug courts as prescribed in section 1078(6) of the revised judicature act of 1961, 1961 PA 236, MCL 600.1078. Both of the following apply to that annual review:

(a) It shall include measures of the impact of drug court programs in changing offender criminal involvement (recidivism) and substance abuse and in reducing prison admissions.

(b) It shall be completed no later than April 1 of each year and shall also be provided to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking a court-issued waiver of parental consent. In accordance with section 208, the state court administrative office shall report the total number of petitions filed and the total number of petitions granted under that act.

Sec. 317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 318. The funds appropriated in part 1 for the community court pilot project shall be used for the purposes of administering a pilot program of neighborhood-focused community courts. The state court administrative office shall work collaboratively with the designated courts when establishing the community courts.

Sec. 320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$6,000,000.00 designated for the program, not more than \$100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the state budget director, the senate and house appropriations subcommittees on the judiciary, and the senate and house fiscal agencies. The report shall include all of the following:

- (a) The number of offenders who participate in the program.
 - (b) The criminal history of offenders who participate in the program.
 - (c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.
 - (d) A detailed description of the establishment and parameters of the program.
- (3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 321. It is the intent of the legislature that the judicial branch support a statewide legal self-help Internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback. By March 1, the state court administrative office shall report this information for the preceding fiscal year to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 322. If Byrne formula grant funding is awarded to the state appellate defender, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. If the appellate defender appointed under section 3 of the appellate defender act, 1978 PA 620, MCL 780.713, receives federal grant funding from the department of justice in excess of the amount appropriated in part 1, the office of appellate defender may receive and expend grant funds in an amount not to exceed \$300,000.00 as other federal grants.

Sec. 323. The state court administrative office shall provide courts with a quarterly listing of out-of-state placements of juveniles by each court. The state court administrative office shall also provide each judge who hears juvenile matters with the annual listing of per diem costs of the public and private residential care facilities located or doing business in this state, and the recidivism data for each facility, if available, as provided by the department of human services. The courts shall acknowledge receipt of this information.

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

ARTICLE XIII
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the department of licensing and regulatory affairs, subject to the conditions set forth in part 2, for the fiscal year ending September 30, 2015, from the funds identified in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
APPROPRIATION SUMMARY**

Full-time equated unclassified positions	57.5		
Full-time equated classified positions	2,820.3		
GROSS APPROPRIATION		\$	542,488,200
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers.....			14,509,800
ADJUSTED GROSS APPROPRIATION		\$	527,978,400
Federal revenues:			
Total federal revenues			200,624,800
Special revenue funds:			
Total local revenues.....			656,500
Total private revenues			311,800
Total other state restricted revenues			286,351,500
State general fund/general purpose		\$	40,033,800
State general fund/general purpose schedule:			
Ongoing state general fund/general purpose.....	25,033,800		
One-time state general fund/general purpose	15,000,000		

Sec. 102. DEPARTMENTAL ADMINISTRATION

Full-time equated unclassified positions	57.5		
Full-time equated classified positions	120.0		
Unclassified salaries—57.5 FTE positions		\$	4,768,700
Executive director programs—32.0 FTE positions.....			4,638,400
Administrative services—84.0 FTE positions.....			9,673,000
Office of regulatory reinvention—4.0 FTE positions.....			484,700

		For Fiscal Year Ending Sept. 30, 2015
Property management	\$	9,328,300
Rent.....		7,868,600
Worker's compensation		662,500
GROSS APPROPRIATION	\$	37,424,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG-DIFS, accounting services		150,000
Federal revenues:		
DOL, multiple grants for safety and health		880,400
DOL-ETA, unemployment insurance.....		9,968,100
Federal revenues.....		849,700
Title XVIII Medicare.....		451,300
Title XIX Medicaid.....		21,700
Title XIX Medicaid, facility certification fees		272,000
Special revenue funds:		
Local revenues		127,500
Aboveground storage tank fees		71,100
Accountancy enforcement fund.....		25,000
Boiler inspection fund.....		255,000
Builder enforcement fund		56,900
Construction code fund.....		1,007,700
Contingent fund, penalty and interest account.....		39,900
Corporation fees.....		4,280,300
Elevator fees		275,800
Fees and collections/asbestos		89,200
Fire service fees		513,700
Fireworks safety fund		9,700
Health professions regulatory fund.....		1,524,500
Health systems fees		159,600
Licensing and regulation fund.....		1,094,900
Liquor license revenue		260,000
Liquor purchase revolving fund.....		4,069,100
Michigan medical marihuana fund		270,100
Mobile home code fund		343,700
Motor carrier fees.....		220,400
Private occupational school license fees		39,000
Public utility assessments		2,409,800
Radiological health fees		107,700
Safety education and training fund		843,700
Second injury fund		272,200
Securities fees		3,563,400
Self-insurers security fund.....		101,800
Silicosis and dust disease fund		118,900
Survey and remonumentation fund.....		53,000
Tax tribunal fund.....		1,056,700
Underground storage tank fees		68,000
Video franchise assessments.....		4,000
Worker's compensation administrative revolving fund		100,000
State general fund/general purpose	\$	1,398,700

Sec. 103. PUBLIC SERVICE COMMISSION

Full-time equated classified positions.....	193.0	
Public service commission—190.0 FTE positions.....	\$	30,130,500
METRO authority—3.0 FTE positions		383,600
GROSS APPROPRIATION	\$	30,514,100
Appropriated from:		
Federal revenues:		
DOE-OEERE, multiple grants.....		56,700

		For Fiscal Year Ending Sept. 30, 2015
DOT, gas pipeline safety.....	\$	1,234,500
Special revenue funds:		
Motor carrier fees.....		2,529,500
Public utility assessments.....		25,730,400
Restructuring mechanism assessments.....		553,800
Video franchise assessments.....		409,200
State general fund/general purpose.....	\$	0
Sec. 104. LIQUOR CONTROL COMMISSION		
Full-time equated classified positions.....		152.0
Management support services—28.0 FTE positions.....	\$	4,378,800
Liquor licensing and enforcement—124.0 FTE positions.....		15,122,600
GROSS APPROPRIATION.....	\$	19,501,400
Appropriated from:		
Special revenue funds:		
Direct shipper enforcement revolving fund.....		124,800
Liquor license revenue.....		7,820,000
Liquor purchase revolving fund.....		11,556,600
State general fund/general purpose.....	\$	0
Sec. 105. OCCUPATIONAL REGULATION		
Full-time equated classified positions.....		805.9
Boiler inspection program—23.0 FTE positions.....	\$	3,277,500
Bureau of fire services—85.0 FTE positions.....		12,184,800
Bureau of construction codes—104.0 FTE positions.....		9,341,300
Detroit demolition permit assistance.....		800,000
Corporations, securities, and commercial licensing bureau—178.0 FTE positions.....		26,864,900
Elevator inspection program—32.0 FTE positions.....		4,358,400
Health professions regulation—141.0 FTE positions.....		27,902,800
Medical marihuana program—20.0 FTE positions.....		4,230,900
Health systems regulation—200.4 FTE positions.....		28,945,400
Background check program—5.5 FTE positions.....		2,624,800
Manufactured housing and land resources program—8.0 FTE positions.....		2,986,200
Property development group—9.0 FTE positions.....		1,839,000
GROSS APPROPRIATION.....	\$	125,356,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG-DCH, inspection contract.....		100,000
Federal revenues:		
Clinical lab improvement.....		402,500
DOT.....		60,000
Federal revenues.....		1,255,300
FEMA.....		28,000
Title XVIII Medicare.....		11,841,600
Title XIX Medicaid.....		719,300
Title XIX Medicaid, facility certification fees.....		8,292,400
Special revenue funds:		
Private - civil monetary penalties.....		200,000
Aboveground storage tank fees.....		448,100
Accountancy enforcement fund.....		404,800
Boiler inspection fund.....		3,762,800
Builder enforcement fund.....		479,200
Construction code fund.....		8,453,700
Corporation fees.....		6,929,600
Elevator fees.....		4,788,700
Fire alarm fees.....		125,400

Fire safety standard and enforcement fund	\$	40,000
Fire service fees		2,457,500
Fireworks safety fund		684,300
Health professions regulatory fund.....		23,522,500
Health systems fees		3,317,400
Licensing and regulation fund.....		11,408,800
Liquor purchase revolving fund.....		1,188,100
Michigan medical marihuana fund		4,230,900
Mobile home code fund		2,986,200
Nurse professional fund.....		1,939,800
Pain management fees		1,823,700
Private occupational school license fees		818,500
Property development fees.....		318,100
Real estate appraiser continuing education fund		63,300
Real estate education fund.....		341,100
Real estate enforcement fund		697,300
Securities fees		4,926,700
Securities investor education and training fund		1,000,000
Security business fund.....		340,100
Survey and remonumentation fund.....		838,500
Unarmed combat fund		137,900
Underground storage tank fees		2,523,700
State general fund/general purpose	\$	11,460,200

Sec. 106. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

Full-time equated classified positions.....	250.4	
Occupational safety and health—197.0 FTE positions.....		\$ 28,722,200
Radiological health administration—21.4 FTE positions		3,466,800
Wage and hour division—32.0 FTE positions		3,642,200
GROSS APPROPRIATION		\$ 35,831,200
Appropriated from:		
Federal revenues:		
DOL, multiple grants for safety and health		11,722,600
Mammography quality standards		766,400
Special revenue funds:		
Corporation fees.....		6,413,900
Fees and collections/asbestos		1,018,300
Radiological health fees		2,677,500
Safety education and training fund		9,573,900
Securities fees		3,484,400
State general fund/general purpose	\$	174,200

Sec. 107. EMPLOYMENT SERVICES

Full-time equated classified positions.....	1,066.0	
Workers' compensation agency—56.0 FTE positions		\$ 7,758,100
Insurance funds administration—23.0 FTE positions.....		5,241,200
Compensation supplement fund		1,820,000
Unemployment insurance agency—782.7 FTE positions		91,618,900
Advocacy assistance program		1,500,000
Special audit and collections program—34.0 FTE positions.....		3,394,900
Training program for agency staff—2.1 FTE positions.....		1,851,300
Expanded fraud control program—33.2 FTE positions		3,910,600
Bureau of services for blind persons—113.0 FTE positions.....		24,812,100
Employment and labor relations—22.0 FTE positions.....		4,136,300
GROSS APPROPRIATION	\$	146,043,400

Appropriated from:	
Federal revenues:	
DOL-ETA, employment and training administration	\$ 842,100
DOL-ETA, unemployment insurance	95,118,900
Federal revenues	18,308,300
Special revenue funds:	
Local revenues	529,000
Private revenues	111,800
Contingent fund, penalty and interest account	5,314,700
Corporation fees	1,771,900
Michigan business enterprise program fund	562,000
Second injury fund	2,815,800
Securities fees	5,027,900
Self-insurers security fund	1,339,600
Silicosis and dust disease fund	1,085,800
Special fraud control fund	1,000,000
Worker's compensation administrative revolving fund	2,462,800
State general fund/general purpose	\$ 9,752,800

Sec. 108. MICHIGAN ADMINISTRATIVE HEARING SYSTEM

Full-time equated classified positions	233.0
Michigan administrative hearing system—215.0 FTE positions	\$ 38,425,800
Michigan compensation appellate commission—18.0 FTE positions	4,579,400
GROSS APPROPRIATION	\$ 43,005,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG - administrative hearings and rules	14,259,800
Federal revenues:	
DOL-ETA, unemployment insurance	4,243,800
Federal revenue - administrative hearings and rules	9,842,600
Special revenue funds:	
State restricted revenue - administrative hearings and rules	12,834,300
Worker's compensation administrative revolving fund	335,600
State general fund/general purpose	\$ 1,489,100

Sec. 109. INFORMATION TECHNOLOGY

Information technology services and projects	\$ 41,795,200
GROSS APPROPRIATION	\$ 41,795,200
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
DOL, multiple grants for safety and health	273,700
DOL-ETA, unemployment insurance	21,542,900
Federal revenues	700,000
Title XVIII Medicare	610,000
Title XIX Medicaid, facility certification fees	320,000
Special revenue funds:	
Aboveground storage tank fees	24,500
Boiler inspection fund	375,800
Construction code fund	963,800
Corporation fees	4,888,300
Elevator fees	423,600
Fees and collections/asbestos	49,300
Fire service fees	293,800

For Fiscal Year
Ending Sept. 30,
2015

Health professions regulatory fund.....	\$	1,099,800
Health systems fees		225,900
Licensing and regulation fund.....		1,818,500
Liquor purchase revolving fund.....		2,843,000
Michigan medical marihuana fund		284,000
Mobile home code fund		300,500
Motor carrier fees.....		191,300
Pain management fees		175,300
Public utility assessments		1,554,800
Radiological health fees.....		140,000
Safety education and training fund		632,400
Second injury fund		162,900
Securities fees		1,026,900
Self-insurers security fund.....		84,800
Silicosis and dust disease fund		74,800
Tax tribunal fund		518,000
Underground storage tank fees		131,400
State general fund/general purpose	\$	65,200

Sec. 110. DEPARTMENT GRANTS

Fire protection grants	\$	9,273,900
Firefighter training grants		1,000,000
Liquor law enforcement grants.....		7,200,000
Medical marihuana operation and oversight grants.....		3,000,000
Remonumentation grants		7,300,000
Subregional libraries state aid		451,800
Utility consumer representation.....		950,000
Youth low-vision program		241,800
GROSS APPROPRIATION	\$	29,417,500

Appropriated from:

Special revenue funds:

Fire protection fund.....		8,500,000
Fireworks safety fund		1,000,000
Liquor license revenue		7,200,000
Liquor purchase revolving fund.....		773,900
Michigan medical marihuana fund		3,000,000
Survey and remonumentation fund		7,300,000
Utility consumer representation fund		950,000
State general fund/general purpose	\$	693,600

Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS

MLCC IT upgrades	\$	500,000
Unemployment insurance agency - customer service.....		18,000,000
Disability accessibility project		100,000
Delphi corporation workers' compensation payment fund.....		15,000,000
GROSS APPROPRIATION	\$	33,600,000

Appropriated from:

Special revenue funds:

Contingent fund, penalty and interest account.....		18,000,000
Elevator fees		100,000
Liquor purchase revolving fund.....		500,000
State general fund/general purpose	\$	15,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$326,385,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$28,225,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Fire protection grants	\$	9,273,900
Firefighter training grants		1,000,000
Liquor law enforcement grants.....		7,200,000
Medical marihuana operation and oversight grants.....		3,000,000
Remonumentation grants.....		7,300,000
Subregional libraries state aid		451,800
Total department of licensing and regulatory affairs.....	\$	28,225,700

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "Department" means the department of licensing and regulatory affairs.
- (b) "Director" means the director of the department.
- (c) "DOE-OEERE" means the United States department of energy, office of energy efficiency and renewable energy.
- (d) "DOL" means the United States department of labor.
- (e) "DOL-ETA" means the United States department of labor, employment and training administration.
- (f) "DOT" means the United States department of transportation.
- (g) "FEMA" means federal emergency management agency.
- (h) "Fiscal agencies" means Michigan house fiscal agency and Michigan senate fiscal agency.
- (i) "FTE" means full-time equated.
- (j) "IDG" means interdepartmental grant.
- (k) "IT" means information technology.
- (l) "MAHS" means Michigan administrative hearing system.
- (m) "MARVIN" means Michigan's automated response voice interactive network.
- (n) "METRO" means the metropolitan extension telecommunications rights-of-way oversight act, 2002 PA 48, MCL 484.3101 to 484.3120.
- (o) "MiWAM" means Michigan web account manager.
- (p) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 205. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. The funds appropriated in part 1 for liquor control commission IT upgrades are designated as work project appropriations and shall not lapse at the end of the fiscal year. Any unencumbered and unexpended funds shall continue to be available for expenditure until the project has been completed. The estimated completion date for the work project is February 1, 2016.

Sec. 212. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies or reports unless otherwise required by federal and state guidelines.

Sec. 215. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the fiscal agencies.

Sec. 218. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committee, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. No later than April 1, the department shall submit to the subcommittees and the fiscal agencies a report pertaining to the following information:

(a) The amount, in square footage, of office space paid for with the appropriation in part 1 for both state-owned and leased office space, respectively, during the previous fiscal year.

(b) The amount, in square footage, of office space actually utilized by the department for both state-owned and leased office space, respectively, during the previous fiscal year.

(c) The amount of office space the department estimates will be utilized during the current and subsequent fiscal years.

Sec. 220. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 221. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 223. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$19,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$25,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$7,800,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$400,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 225. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

Sec. 227. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The subdivision control manual, the state boundary commission operations manual, and other local government assistance manuals.

(c) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(d) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(e) Worker's compensation health care services rules.

(f) Construction code manuals.

(g) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds collected by the department under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 228. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 229. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 231. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 232. The department shall not develop or produce any television or radio productions.

Sec. 234. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 235. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 is \$72,438,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$40,484,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$31,954,100.00.

Sec. 240. (1) It is the intent of the legislature that departments and agencies receiving appropriations in part 1 properly account for their spending and do not use full-time equated positions as placeholders for spending in other parts of their budgets.

(2) No later than February 1, the department shall provide a report to the legislature specifying the number of filled, full-time equated positions in pay status within each agency receiving appropriations in part 1 during the immediately preceding fiscal year. When reporting on the number of filled, full-time equated positions in pay status, the department shall provide the maximum number of filled, full-time equated positions in pay status by appropriation line item in the last pay period of each quarter of the immediately preceding fiscal year. The report shall also include a list of all funded, full-time equated positions by position title.

Sec. 241. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) Not later than November 15, the department shall submit a report to the subcommittees, fiscal agencies, and the state budget office that identifies each of the following in the immediately preceding fiscal year:

(a) Each informational, training, or special event sponsored by the department.

(b) The amount of revenue generated by registration fees.

(c) The amount expended for the department's costs of sponsoring informational, training, or special events.

(d) Any balance carried forward into the subsequent fiscal year.

(6) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

Sec. 242. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted fund.

Sec. 243. (1) The department shall work to establish memoranda of understanding with other state departments or agencies that participate in the reinventing performance in Michigan program supported by appropriations in part 1. Each memorandum shall detail a mechanism for the department to recover costs related to program services performed on behalf of the receiving agency. Not later than March 1, the department shall submit a report to the state budget office, subcommittees, and fiscal agencies containing the following information:

(a) The name of each state department or agency participating in the program.

(b) Whether a memorandum of understanding was established with each participating state department or agency.

(c) The amount agreed upon in each memorandum of understanding.

(2) It is the intent of the legislature that future financial support for the reinventing performance in Michigan program be shared among participating state departments or agencies.

Sec. 245. The department, in conjunction with the department of community health, shall establish an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified. By October 1, 2014, the department shall provide the state budget office and the fiscal agencies with the relevant accounting structure and associated business objects script and report that groups administrative costs.

Sec. 248. (1) No later than March 1, the department shall submit a report to the subcommittees and fiscal agencies pertaining to licensing and regulatory programs during the previous fiscal year for the following agencies:

- (a) Public service commission.
- (b) Liquor control commission.
- (c) Bureau of construction codes.
- (d) Corporations, securities, and commercial licensing bureau.
- (e) Bureau of health care services.
- (f) Michigan occupational safety and health administration.

(2) The report shall provide, but is not limited to, the following information for each agency in subsection (1):

- (a) Revenue generated by and expenditures disbursed for each regulatory product.
- (b) Number of applications, both initial and renewal, for each regulatory product.
- (c) Number of applications, both initial and renewal, approved for each regulatory product.
- (d) Number of applications, both initial and renewal, denied for each regulatory product.

(e) Average amount of time, both tolled and untolled, to approve or deny applications, both initial and renewal, for each regulatory product.

- (f) Number of examinations proctored for initial applications for each regulatory product, if applicable.
- (g) Number of complaints received pertaining to each regulated activity.
- (h) Number of investigations opened pertaining to each regulated activity.
- (i) Number of investigations closed pertaining to each regulated activity.
- (j) Average amount of time to close investigations pertaining to each regulated activity.
- (k) Number of enforcement actions pertaining to each regulated activity.
- (l) Number of administrative hearings pertaining to each regulated activity.
- (m) Number of administrative hearing adjudications pertaining to each regulated activity.

(3) As used in subsection (2), “regulatory products” means licensure, certification, registration, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for occupations, facilities, entities, industries, or activities regulated by the agencies specified in subsection (1).

Sec. 250. It is the intent of the legislature that the department continue the prefunding of other postemployment benefits for state employees hired before January 1, 2012, with the amounts appropriated in part 1 pursuant to the amendments made by 2011 PA 264 to the state employees’ retirement act, 1943 PA 240, MCL 38.1 to 38.69.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

<u>Operation and maintenance inspection fee</u>		
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>		
<u>Project cost range</u>	<u>Fee</u>	
\$101,000.00 or less	minimum fee of \$155.00	
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00	
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00	
\$10,000,001.00 or more	\$1.10 per \$1,000.00	
	or a maximum fee of \$60,000.00.	

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. No later than February 15, the department shall submit a report to the subcommittees and fiscal agencies providing the following information:

(a) The number of honorably discharged veterans, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 505. (1) Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered prior to August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

(2) Not later than April 1, the department shall submit to the subcommittees and fiscal agencies a report on the revenues, expenditures, and balance of the homeowner construction lien recovery fund as of the end of the previous fiscal year.

Sec. 506. (1) The department shall report by April 1 to the subcommittees, fiscal agencies, and state budget director on the timeliness of nursing facility complaint investigations and the number of allegations that are substantiated on an annual basis. The report shall consist of the number of allegations filed by consumers and the number of facility-reported incidents. The department shall make every effort to contact every complainant and the subject of a complaint during an investigation.

(2) The department shall gather information on its most frequently cited complaint deficiencies for the prior 3 fiscal years and include that information in the report required under subsection (1). The department shall determine whether there is an increase in the number of citations from 1 year to the next and assess the cause of the increase, if any, and whether education and training of nursing facility staff or department staff are needed.

(3) The department shall make the report required under this section available to the public at no cost on its website.

Sec. 507. (1) The department shall submit a report by January 1 to the standing committees on appropriations of the senate and house of representatives, the fiscal agencies, and the state budget director that includes all of the following information for the prior fiscal year regarding the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430:

(a) The number of initial applications received.

(b) The number of initial applications approved and the number of initial applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

(d) The number of renewal applications received.

(e) The number of renewal applications approved and the number of renewal applications denied.

(f) The average amount of time, from receipt to approval or denial, to process a renewal application.

(g) The percentage of initial applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(h) The percentage of renewal applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(i) The percentage of registry cards for approved initial applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(j) The percentage of registry cards for approved renewal applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(k) The amount collected from the medical marihuana program application and renewal fees authorized in section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

(l) The costs of administering the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(2) If the required fees are shown to be insufficient to offset all expenses of implementing and administering the medical marihuana program, the department shall review and revise the application and renewal fees accordingly to ensure that all expenses of implementing and administering the medical marihuana program are offset as is permitted under section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

Sec. 508. If the revenue collected by the department for health systems administration or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 509. By February 1, the bureau of health care services shall provide the state budget office, the subcommittees, and the fiscal agencies an updated schedule of fees to be charged by the bureau of health care services for regulating health facilities. The updated fee schedule proposed by the bureau shall be based on the schedule submitted previously, but include updated figures from the prior fiscal year. It shall also bear a direct relationship to the cost of the service or act, including overhead expenses. The report shall also recommend the necessary statutory and administrative rule changes necessary to implement the recommended fee schedule.

Sec. 510. From the appropriations made in part 1 for the bureau of health systems, at least \$530,000.00 must be expended for activities related to the inspection and licensing of freestanding surgical outpatient facilities.

Sec. 511. No later than February 1, the department shall submit a report to the subcommittees and fiscal agencies providing the following information:

(a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

(b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 512. (1) To the extent allowed under applicable state and federal laws, the bureau of health care services shall make disciplinary actions taken against health professionals publicly available through the online license verification website.

(2) From the appropriation in part 1 for health professions regulation, the department shall spend up to \$200,000.00 to implement this section. It is the intent of the legislature that this amount is 1-time and will be removed from future appropriations for health professions regulation.

Sec. 513. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may undertake a pilot project to assess a fee not to exceed \$200.00 for responding to confirmed false inspection appointments. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the Michigan administrative information network.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature in regard to the pilot project. The department shall submit this information to the state budget director, the subcommittees, and the fiscal agencies.

EMPLOYMENT SERVICES

Sec. 701. Funds earned or authorized by the DOL in excess of the gross appropriation in part 1 for the unemployment insurance agency from the DOL are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the state budget director and the subcommittees of the purpose and amount of each grant award.

Sec. 702. The unemployment insurance agency shall provide the subcommittees, fiscal agencies, and state budget office with quarterly status reports on the implementation of and improvements to the agency's integrated system project. The quarterly status reports shall include, but not be limited to, a summary of the expenditures for the project, a summary of the tasks completed, and a summary of the tasks anticipated to be completed in the subsequent quarter.

Sec. 703. The department shall report quarterly to the members of the house and senate committees on appropriations, the fiscal agencies, and the state budget director on the percentage of unemployment claimants that meet the certification requirements for receiving benefits by using the Internet MiWAM system or any application developed for that purpose. The department shall implement improvements to the Internet MiWAM system that promote greater ease of access and security with a goal of reaching 75% of users certifying by using the Internet MiWAM system or another system that reduces staff face time and MARVIN telephone system usage.

Sec. 704. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 705. The bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 706. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

Sec. 707. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

MICHIGAN ADMINISTRATIVE HEARING SYSTEM

Sec. 801. (1) The Michigan tax tribunal within the Michigan administrative hearing system shall submit a report containing all of the following for the previous fiscal year:

(a) The number of cases heard and the number of cases decided by MAHS hearings officers, contractual hearings officers, and tribunal members during the fiscal year.

(b) The number of case filings and dispositions and the number of active and pending cases before the small claims division and the entire tribunal.

(c) The average and maximum time elapsed, both tolled and untolled, between case filings and final dispositions.

(d) The amount and percentage of tax tribunal fees generated by motions to amend.

(2) The report required under subsection (1) shall be submitted to the subcommittees, fiscal agencies, and state budget office not later than November 1.

DEPARTMENT GRANTS

Sec. 901. (1) The appropriation in part 1 for fire protection grants shall be appropriated to cities, villages, and townships with state-owned facilities for fire services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

(2) Cities, villages, and townships with state-owned facilities shall report to the department no later than January 1 on a form developed by the department in order to be eligible to receive funds appropriated in part 1 for fire protection grants. The report shall indicate all of the following:

- (a) The ability to respond to state facilities in their service area.
- (b) The cost for being prepared and able to respond to fire service situations during the most recent fiscal year.
- (c) The fire-related activities of police and fire departments on state property.
- (d) The costs of these activities.
- (e) The expenditures from fire protection grants.

(3) The department shall prepare a summary of the local submissions and provide it to the subcommittees, fiscal agencies, and the state budget director by March 31.

Sec. 902. (1) Not later than January 31, 2015, the department shall prepare a report that provides the number of registry identification cards issued to or renewed for patients residing in each county during the previous fiscal year, as of September 30, 2014, under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. The department shall submit this report to the state budget director, the subcommittees, and the fiscal agencies.

(2) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to county law enforcement offices for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(l) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county whose county law enforcement office applied for a grant under subsection (3). For the purposes of this subsection, operation and oversight grants are for education, communication, and enforcement of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(3) In order to be eligible to receive a grant under subsection (2), a county law enforcement office shall apply no later than January 1, 2015 and agree to report how the grant was expended and provide that report to the department no later than September 15, 2015. The department shall submit a report no later than October 15, 2015 to the state budget director, the subcommittees, and the fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

(4) County law enforcement offices may distribute discretionary grants made under subsection (2) to municipal law enforcement agencies for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(l) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a county law enforcement office distributes a discretionary grant in this manner, that county law enforcement office shall require the receiving municipal law enforcement agency to provide a report on how that grant was spent. Reports from municipal law enforcement agencies shall be included as part of the report submitted to the department as required in subsection (3).

(5) No later than January 1, 2015, the department shall post a listing of potential grant money available to each county law enforcement office on its website. A county law enforcement office requesting a grant shall apply on a form developed by the department and available on the website. The form shall contain the county law enforcement office's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

Sec. 903. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighter training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, it is the intent of the legislature that:

(a) The amount appropriated in part 1 for firefighter training grants shall be disbursed pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount disbursed to any county under subsection (2)(a) is less than \$5,000.00, the amounts disbursed to each county under subsection (2)(a) shall be adjusted to provide for a minimum payment of \$5,000.00 to each county.

(3) No later than February 1, the department shall submit a financial report to the subcommittees and fiscal agencies identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to disburse the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighter training council for disbursement to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighter training council.

(e) The amount of payments approved for disbursements to counties that was not expended or encumbered and lapsed back to the fireworks safety fund pursuant to subsection (4).

(4) It is the intent of the legislature that the amount appropriated in part 1 for firefighter training grants be adjusted each fiscal year to reflect lapses from the preceding fiscal year into the fireworks safety fund created in section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, for the purpose of ensuring that lapsed grant funds are reallocated in subsequent fiscal years.

ONE-TIME BASIS ONLY

Sec. 1001. (1) Of the amount appropriated in part 1 for the Delphi corporation workers' compensation payment fund, \$8,000,000.00 may be expended by the department in fiscal year 2014-2015 to settle or otherwise support the workers' compensation claims of former employees of the Delphi corporation.

(2) The remaining \$7,000,000.00 of the amount appropriated in part 1 for the Delphi corporation workers' compensation payment fund shall not be expended unless the self-insurers security fund balance and the amount specified in subsection (1) are insufficient to adequately settle or otherwise support the workers' compensation claims of former employees of the Delphi corporation.

(3) If the condition specified in subsection (2) is realized and the department has collected the annual revenue generated by an increased assessment of 0.5% for the self-insurers' security fund, then, beginning in fiscal year 2014-2015, the department may annually expend an amount not to exceed 20.0% of the amount specified in subsection (2) until either:

(a) The workers' compensation claims of former employees of the Delphi corporation are settled or otherwise supported.

(b) The entire amount specified in subsection (2) is expended.

(4) If the condition specified in subsection (3)(a) is realized, any unencumbered or unexpended funds appropriated for the Delphi corporation workers' compensation payment fund shall lapse to the general fund.

(5) The department shall annually notify the state budget office, the chairpersons of the house and senate appropriations committees, and the fiscal agencies of the amount of any expenditures made under subsection (3).

(6) The amount appropriated in part 1 for the Delphi corporation workers' compensation payment fund is designated as a work project appropriation and shall not lapse at the end of the fiscal year. Subject to subsection (4), any unencumbered or unexpended funds shall continue to be available for expenditure until September 30, 2019.

Sec. 1002. From the appropriations in part 1, the department shall work with a nonprofit group with expertise in the field of disability accessibility evaluations on a pilot project. The pilot project shall include both of the following:

(a) Services to municipalities and businesses for the improvement of accessibility for persons with disabilities.

(b) Creation of universal design blueprints that are accessible electronically through the bureau of construction codes.

ARTICLE XIV

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this part, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2015 from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	9.0		
Full-time equated classified positions	889.5		
GROSS APPROPRIATION		\$	166,943,700
Total interdepartmental grants and intradepartmental transfers.....			100,000

Schedule of interdepartmental grant and intradepartmental transfer revenue sources:		
IDG, state police	100,000	
ADJUSTED GROSS APPROPRIATION	\$	166,843,700
Total federal revenues		90,362,800
Schedule of federal revenue sources:		
DOD-DOA-NGB.....	60,025,300	
DVA-VHA.....	27,235,700	
Federal counter narcotics revenues	50,000	
HHS-HCFA, title XIX, Medicaid	88,300	
HHS-HCFA, Medicare, hospital insurance	2,963,500	
Total local revenues.....		1,500,000
Schedule of local revenue sources:		
Local - school aid fund	1,500,000	
Total private revenues		740,000
Schedule of private revenue sources:		
Private - veterans' homes post and posthumous funds	540,000	
Private donations	200,000	
Total other state restricted revenues		25,086,400
Schedule of restricted revenue sources:		
Lease revenue	12,200	
Income and assessments	17,356,100	
Mackinac Bridge authority	70,000	
Military family relief fund.....	1,000,000	
Michigan national guard armory construction fund	1,000,000	
Michigan veterans' trust fund	5,201,700	
Rental fees	346,400	
Test project fees.....	100,000	
State general fund/general purpose	\$	49,154,500
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose.....	45,754,500	
One-time state general fund/general purpose	3,400,000	
Sec. 102. MILITARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	324.0	
Unclassified positions.....	\$	1,370,100
Departmental and national guard operations.....		63,046,400
Schedule of programs:		
Support services	1,909,400	
Armories and joint force readiness	16,136,500	
National guard training facilities and airbases	32,050,600	
Michigan youth challenge academy	4,549,200	
Military family relief fund.....	600,000	
Starbase grant.....	2,322,000	
National guard tuition assistance program.....	4,342,100	
Information technology services and projects.....	1,136,600	
GROSS APPROPRIATION	\$	64,416,500
Appropriated from:		
Interdepartmental grant revenues.....		100,000
Federal revenues		45,489,000
Local revenues		1,500,000
Private revenues.....		200,000
State restricted revenues.....		1,523,600
State general fund/general purpose	\$	15,603,900
Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
Full-time equated classified positions	565.5	
Michigan veterans affairs agency	\$	16,059,300

Schedule of programs:	
Michigan veterans affairs agency administration.....	7,095,100
Veterans service grants.....	3,762,500
Veterans' trust fund administration.....	1,455,200
Veterans' trust fund grants.....	3,746,500
Veterans' homes.....	\$ 66,567,900
Schedule of programs:	
Grand Rapids veterans' home	46,012,600
Board of managers (Grand Rapids home).....	665,000
D.J. Jacobetti veterans' home	19,615,300
Board of managers (Jacobetti home).....	275,000
GROSS APPROPRIATION	\$ 82,627,200
Appropriated from:	
Federal revenues	29,873,800
Private revenues.....	540,000
State restricted revenues.....	22,562,800
State general fund/general purpose	\$ 29,650,600
Sec. 104. CAPITAL OUTLAY	
Capital outlay	\$ 16,500,000
Schedule of programs:	
Special maintenance - national guard	15,000,000
Special maintenance - veterans' home.....	500,000
Land and acquisitions	1,000,000
GROSS APPROPRIATION	\$ 16,500,000
Appropriated from:	
Federal revenues	15,000,000
State restricted revenues.....	1,000,000
State general fund/general purpose	\$ 500,000
Sec. 105. ONE-TIME APPROPRIATIONS	
Special maintenance - veterans' home	\$ 3,000,000
National guard tuition assistance program reserve.....	400,000
GROSS APPROPRIATION	\$ 3,400,000
Appropriated from:	
State general fund/general purpose	\$ 3,400,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$74,240,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$100,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

National guard operations.....	\$ 50,000
Schedule of programs:	
Payments in lieu of taxes	50,000
Michigan veterans affairs agency	\$ 50,000
Schedule of programs:	
County counselor education and training expenses	50,000
TOTAL.....	\$ 100,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "CFDA" means catalog of federal domestic assistance.
- (b) "Core services" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.
- (c) "Department" means the department of military and veterans affairs.
- (d) "DOD" means the United States department of defense.
- (e) "DOD-DOA-NGB" means the DOD department of the army, national guard bureau.
- (f) "DVA" means the United States department of veterans affairs.
- (g) "DVA-VHA" means the DVA veterans health administration.
- (h) "FTE" means full-time equated.
- (i) "HCFA" means the health care financing administration, now renamed the centers for Medicare and Medicaid services.
- (j) "HHS" means the United States department of health and human services.
- (k) "IDG" means interdepartmental grant.
- (l) "Large veterans service organization" means a VSO that can certify that its membership exceeds 30,000 individuals.
- (m) "MVAA" means the Michigan veterans affairs agency.
- (n) "Medium veterans service organization" means a VSO that can certify that its membership is between 2,500 and 30,000 individuals.
- (o) "Small veterans service organization" means a VSO that can certify that its membership is between 1,000 and 2,499 individuals.
- (p) "Subcommittees" means all members of the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.
- (q) "VSO" means veterans service organization.
- (r) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The appropriations from part 1 for interdepartmental grant funds received by the department from sources outside the department consist of \$100,000.00 from the department of state police.

Sec. 205a. Federal DOD-DOA-NGB funds appropriated in part 1 may be received from, but not limited to, the following programs: military construction - national guard (CFDA 12.400), national guard military operations and maintenance (CFDA 12.401), national guard challenge program (CFDA 12.404), and national guard starbase program (CFDA 12.404).

Sec. 205b. Federal DVA-VHA funds appropriated in part 1 may be received from, but not limited to, the following programs: grants to states for construction of state home facilities (CFDA 64.005), veterans state domiciliary care (CFDA 64.014), and veterans state nursing home care (CFDA 64.015).

Sec. 205c. Federal HHS-HCFA, Medicare, hospital insurance funds appropriated in part 1 may be received under the Medicare supplementary medical insurance program (CFDA 93.774) or other HHS-HCFA programs.

Sec. 205d. Federal HHS-HCFA, title XIX, Medicaid funds appropriated in part 1 may be received from the Medicaid program under title XIX of the social security act, 42 USC 1396 to 1396w-5 or other HHS-HCFA programs.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website that is accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in this part and part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan small businesses that have veterans compose at least 35% of their total workforce. As used in this section, "veteran" means that term as defined in section 261 of the management and budget act, 1984 PA 431, MCL 18.1261. As used in this section, "small business" means that term as defined in section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Sec. 210. The department shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director of the department shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 215. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. (1) Notwithstanding any other provision of this part, the schedule of programs in part 1 lists programs which may, but are not required to be, funded under part 1.

(2) Notwithstanding any other provisions of this part, the schedule of revenue sources in part 1 may or may not be received from the funding entities listed.

(3) Any funding required by statute is not subject to funding flexibility and shall be funded in accordance with that statute.

Sec. 217. The department shall improve its budgetary efficiency pertaining to the delivery of core services delineated in section 222 by doing all of the following:

- (a) Prioritizing personnel over buildings in budgetary efficiency considerations.
- (b) Pursuing the physical or virtual consolidation of support service functions such as information technology, human resources, and accounting as a means of improving standardization and efficiency.
- (c) Seeking expenditure reductions whenever possible through the streamlining of existing service delivery activities.
- (d) Identifying efficiencies that can be gained via the reduction or elimination of programs, policies, and practices which have outlived their usefulness.

Sec. 218. The departments and agencies receiving appropriations in this part and part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. (1) The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) Evidence of efficiencies and management of funds within established appropriations.

(d) A report on the status of performance metrics cited in this part and information required to be reported in this part.

(e) The number of active employees at the close of the fiscal quarter by job classification and program.

(f) A summary of fund shifts, that have been approved by the state budget office, that have occurred between items listed in the schedule of programs mentioned in part 1.

(2) The department shall provide a corrective action plan within 30 days of a quarterly report under this section for any requirements of this part that have not been achieved. The department shall provide a monthly status of corrective action plans.

Sec. 222. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) Armories and joint force readiness.

(b) National guard training facilities and air bases.

(c) Michigan youth challenge academy.

(d) Military family relief fund.

(e) Starbase grant.

(f) National guard tuition assistance program.

(g) Michigan veterans affairs agency administration.

(h) Veterans service grants.

(i) Veterans' trust fund administration.

(j) Veterans' trust fund grants.

(k) Grand Rapids veterans' home.

(l) Board of managers (Grand Rapids).

(m) D.J. Jacobetti veterans' home.

(n) Board of managers (Jacobetti).

Sec. 225. Funds appropriated in this part and part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 227. The department shall not exclude public employee unions from the bid process.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriations lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house standing committees on appropriations, the subcommittees, and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 230. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 231. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$20,013,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$11,180,100.00, and total agency appropriations for retiree health care legacy costs are estimated at \$8,833,000.00.

Sec. 232. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 233. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the subcommittees and the senate and house fiscal agencies.

Sec. 234. The 1-time appropriations in part 1 for special maintenance shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

MILITARY

UNCLASSIFIED POSITIONS

Sec. 300. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963. These positions include the following: department director - the adjutant general for Michigan; assistant adjutant general - army; assistant adjutant general - installations; assistant adjutant general - air; senior policy executive - Michigan veterans affairs agency; senior deputy director - state operations; director - strategy and policy; director - public safety group; and director - Michigan veterans affairs agency.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

SUPPORT SERVICES

Sec. 301. (1) The department shall provide administrative support for department operations.

(2) The department shall maintain the staffing and resources necessary to ensure proper accountability of state funds.

(3) The department shall maintain the staffing and resources necessary to adhere to the state of Michigan financial management guide for accounting, contracting, purchasing, budgeting, and financial reporting and the administrative guide to state government.

(4) The department shall ensure fiscal controls relating to procurement of goods and services and other expenditures.

ARMORIES AND JOINT FORCE READINESS

Sec. 302. (1) From the funds appropriated in part 1 for department and national guard operations, the department shall provide for the following:

(a) Executive administration of the department as provided under chapter 6 of the executive organization act of 1965, 1965 PA 380, MCL 16.225 to 16.229, Executive Reorganization Order No. 1997-7, MCL 32.91, and chapter 5 of the Michigan military act, 1967 PA 150, MCL 32.700 to 32.740.

(b) The operations of the Michigan military establishment, as provided under section 7 of article I and section 12 of article V of the state constitution of 1963, and the Michigan military act, 1967 PA 150, MCL 32.501 to 32.851, title 10 of the United States Code, 10 USC 101 to 18506, title 32 of the United States Code, 32 USC 101 to 908, the Michigan code of military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148, R 32.11 to R 32.61 of the Michigan administrative code, R 32.171 to R 32.186 of the Michigan administrative code, and other applicable cooperative agreements and army, air force, and national guard bureau regulations.

(2) The department shall operate and maintain national guard armories as provided under chapter 6 of the Michigan military act, 1967 PA 150, MCL 32.750 to 32.788, and other applicable cooperative agreements and army and national guard regulations.

(3) The Michigan army national guard and air national guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(4) The department shall evaluate armories for consolidation, energy, and utility efficiency and identify work projects that would improve this efficiency and submit a quarterly report, as provided in section 219, on the status and activities of the armories, including a listing of armory closings and projected closings.

(5) The department shall establish a system that measures the condition and adequacy of armory facilities using both quality and functionality criteria based off the installation status report-infrastructure inspections that are conducted annually as a requirement set forth by the national guard.

(6) The department shall report to the subcommittees, the senate and house fiscal agencies, and the state budget office by December 1 providing for the following:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the national guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of shared use of armories with other local, state, or federal agencies to improve response to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

NATIONAL GUARD TRAINING FACILITIES AND AIR BASES

Sec. 304. (1) The department shall provide army and air national guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain army national guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain air national guard air bases, including Selfridge air national guard base, Battle Creek air national guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information as provided under section 219:

(a) The apportioned and assigned strength of the Michigan army national guard.

(b) The apportioned and assigned strength of the Michigan air national guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan army national guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan air national guard.

MICHIGAN YOUTH CHALLENGE ACADEMY

Sec. 307. (1) The department shall maintain the Michigan youth challenge academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the challenge program from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

(4) The department shall maintain the staffing and resources necessary to train at least 144 cadets simultaneously at the Michigan youth challenge academy.

(5) The department shall ensure that the average grade level increase for Michigan youth challenge academy graduates is 2 years as measured with the test adult basic education (TABE) metrics.

MILITARY FAMILY RELIEF FUND

Sec. 308. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief act, 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative code.

(2) The department shall provide information on the revenues, expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 219.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the armed forces called into active duty and to support the processing and approval of at least 60 grant applications this fiscal year under the Michigan military relief fund and report those applications as provided in section 219.

STARBASE GRANT

Sec. 309. (1) The department shall maintain the starbase program at air national guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students in kindergarten through twelfth grade in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

(2) The starbase program shall maintain current program offerings serving K-12 school districts in the state through existing program sites which include starbase one, located at Selfridge air national guard base, starbase Battle Creek, located at Battle Creek air national guard base, and starbase Alpena, located at Alpena combat readiness training center.

NATIONAL GUARD TUITION ASSISTANCE PROGRAM

Sec. 310. (1) The department shall establish and maintain a national guard tuition assistance program for members of the Michigan air and army national guard.

(2) The objective of the national guard tuition program is to bolster military readiness by increasing recruitment and retention of Michigan air and army national guard service members (and to fill federally authorized strength levels for the state), improve the Michigan air and army national guard's competitive draw from other military enlistment options in the state, enhance the ability of the Michigan air and army national guard to compete for members and federal dollars with surrounding states, and increase the pool of eligible candidates within the Michigan air and army national guard to become commissioned officers.

(3) The department shall make efforts to reach the number of Michigan air and army national guard members participating in the program to 1,000 during the third year of the program's existence. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program and by how competitively the percentage of authorized Michigan air and army national guard strength obtained—and retained—compares to the neighboring air and army national guards from the states of Illinois, Indiana, Ohio, and Wisconsin.

(4) Except as otherwise provided in this subsection, the national guard tuition program shall be designed after the federal tuition assistance program model and shall cover 100% of tuition and authorized fees, up to \$4,500.00 a year, for Michigan air and army national guard members to pursue course work in programs leading to a certificate, a first associate, bachelor's, or master's degree. To be eligible for the program, a Michigan air and army national guard member would have to be qualified in a military occupational skill, remain in active drilling status with a service contract, be a member in good standing, meet yearly physical fitness and weight control standards, and maintain a 2.0 GPA (on a 4.0 scale). This subsection does not apply if House Bill No. 5451 of the 97th Legislature is enacted into law.

INFORMATION TECHNOLOGY SERVICES AND PROJECTS

Sec. 311. The funds appropriated in part 1 for information technology services and projects shall be used as a pass through via an IDG to the department of technology, management, and budget for technology services, including maintenance and repair services, and technology projects, to maximize the operational efficiency and effectiveness of the department.

MICHIGAN VETERANS AFFAIRS AGENCY

MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION

Sec. 400. (1) The Michigan veterans affairs agency shall provide outreach services to Michigan veterans that advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

(a) Maintain the staffing partnerships and other resources necessary to develop and operate an outreach program that will communicate benefit eligibility information to at least 50% of the 680,417 Michigan veterans with a goal of reaching 100% and enable 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and United States department of veterans affairs health, financial, and memorial benefits to which they are entitled.

(c) Provide sufficient staffing and other resources to approve requests for military discharge certificates (DD-214) annually and report that information as provided in section 219.

(d) Continue the process to digitize all medical records and military discharge documents which are currently on paper and microfilm, and report the number of digitized documents as provided in section 219.

(e) Provide a report, as provided under section 219, on the MVAA's performance on the performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees, senate and house fiscal agencies, and the state budget office no later than April 1 providing for the following:

(i) To the extent known, data on the estimated number of homeless veterans, by county, in the state.

(ii) A summary of the activities and strategies developed to date under the MVAA community assessment and regional service delivery model pilot projects that are specifically aimed at improving access to, and the utilization of, community-based services among homeless veterans, and aimed at preventing the incidence of, and minimizing the risk factors for, homelessness among veterans.

(2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) Regional coordinators shall be selected by the MVAA through a grant agreement with veterans service organizations or by other means.

(b) Regional coordinators shall provide the following services:

(i) Coordinate veteran benefit counselors' efforts throughout a specified region.

(ii) Coordinate services with the department of human services, the department of community health, and the department of corrections.

(iii) Coordinate with regional workforce and economic development agencies.

(iv) Coordinate activities among local foundations, non-profit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(c) The MVAA may work with MVAA service officers, regional coordinators, county veteran counselors, VSO service officers, and other service providers to incorporate mental health care referral services into their daily operations in order to aid veterans in understanding the mental health care support services they may be eligible to receive and in identifying available providers of those services. Mental health care services shall include counseling and appropriate care and services to veterans to overcome any mental health issues resulting from their military service, including issues concerning military sexual trauma, post-traumatic stress disorder, depression, anxiety, and substance abuse.

(d) The MVAA shall cooperate with the department of human services and the department of community health in working with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

(e) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(f) The MVAA shall ensure that all MVAA service officers, county veterans counselors, VSO service officers, and regional coordinators receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

(3) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the DVA for the health, financial, and memorial benefits for which they are eligible, and shall do the following:

(a) Report the following information as provided in section 219:

(i) The number of benefit claims, by type, submitted to the DVA.

(ii) The number of fully developed claims, by type, submitted to the DVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the DVA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to our veterans. The MVAA shall report the following information as provided in section 219:

(a) The number and percentage of county veterans counselors trained by the MVAA, with an overall goal of 100%.

(b) To the extent known, the number of benefit claims, by type, submitted to the DVA by county veterans counselors.

(c) To the extent known, the number of fully developed claims, by type, submitted to the DVA by county veterans counselors, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the DVA.

(5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall provide grant assistance to enhance the capacity and capabilities of counties in providing benefit claims assistance. These funds shall be used to continue the implementation of an Internet-based data system, to increase the number of county veterans counselors, and to increase the number of counties that provide service to veterans through county veterans counselors. The MVAA shall provide a report, as provided in section 219, on the expenditures and activities of the grant funds directed by this subsection.

(6) The MVAA shall create a 5-member advisory board consisting of presidents or commanders from 2 large veterans service organizations, 2 medium veterans service organizations, and 1 small veterans service organization. The board shall meet no less than twice a year, without reimbursement, and shall assist the MVAA in developing plans, reviewing service delivery initiatives, and identifying services and projects that assist in meeting MVAA performance objectives.

(7) From the funds appropriated in part 1 for Michigan veterans affairs agency administration, the MVAA is authorized to expend up to \$50,000.00 to hire legal services to represent veterans benefit cases before federal court in order to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

VETERANS SERVICE GRANTS

Sec. 406. (1) The MVAA shall disburse VSO grants to assist them to achieve agency goals and performance objectives in partnership with the VSOs. Grants to VSOs will be disbursed to fund programs and projects which are determined by the agency to meet agency performance objectives and ensure that VSOs communicate the availability of emergency grants through the Michigan veterans trust fund. In disbursing veterans' service grants, the MVAA shall do the following:

(a) Ensure that each VSO that receives grants is issued performance standards.

(b) Ensure that each VSO that receives grant funds uses those funds for veterans advocacy and outreach.

(c) Monitor the performance of each VSO that receives grants.

(2) Veterans services grants awarded by the MVAA to veterans service organizations shall provide for the following, as developed by the MVAA:

(a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state correctional facilities.

(b) The payment of a fixed hourly service rate.

(c) A specified number of service hours within each geographic region of this state, with a statewide goal of at least 116,500 hours, including a minimum of 6,240 hours provided in state correctional facilities.

(d) Use of an MVAA-designated Internet-based claims data system.

(3) The MVAA shall report the following information as provided in section 219:

(a) A summary of activities supported through the appropriation in part 1 for veterans service grants, including separately for each service region, the amount of expenditures to date, number of service hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(b) The number of fully developed claims, by type, submitted to the DVA by veterans service organizations, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the DVA.

VETERANS' TRUST FUND ADMINISTRATION

Sec. 407. (1) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan administrative code.

(d) R 35.621 to R 35.623 of the Michigan administrative code.

(2) No later than December 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the prior fiscal year, information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for administrative costs and emergency grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least \$50,000,000.00.

VETERANS' TRUST FUND GRANTS

Sec. 408. (1) The MVAA shall provide a report, as provided under section 219, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the agency shall maintain the staffing and resources necessary to process a minimum of 2,000 applications for veterans' trust fund emergency grants.

GRAND RAPIDS VETERANS' HOME

Sec. 501. (1) The MVAA and the board of managers shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids veterans' home so that members can achieve their highest potential of wellness, independence, self-worth, and dignity in accordance with the following program authorities:

(a) 1885 PA 152, MCL 36.1 to 36.12.

(b) 1905 PA 313, MCL 36.61.

(c) Executive Reorganization Order No. 1991-7, MCL 36.71.

(d) Executive Reorganization Order No. 2013-2, MCL 32.92.

(e) R 32.71 to R 32.89 of the Michigan administrative code.

(f) Title 38, part II, chapter 17, subchapter V of the United States Code, 38 USC 1741 to 1745.

(g) 38 CFR part 51.

(h) 38 CFR part 52.

(i) Title 38, part VI, chapter 81, subchapter III of the United States Code, 38 USC 8131 to 8138.

(j) 38 CFR part 59.

(2) The department shall provide resources necessary to provide adequate nursing care services to veterans in accordance with federal standards, including the following:

(a) A licensed minimum number of 403 residents in skilled nursing beds at the Grand Rapids veterans' home.

- (b) A licensed minimum number of 72 residents in domiciliary beds at the Grand Rapids veterans' home.
- (3) The Grand Rapids veterans' home shall ensure that its medical staffing is in accordance with DVA-VHA standards.
- (4) The Grand Rapids veterans' home shall ensure that transportation is assured for each resident for every medical appointment outside the veterans' home.
- (5) The Grand Rapids veterans' home shall ensure that each member resident receives daily laundry service.
- (6) The Grand Rapids veterans' home shall ensure that maintenance and custodial services are provided for each home in accordance with applicable local, state, and federal standards.
- (7) The Grand Rapids veterans' home shall ensure that each resident receives a medical and care assessment including a dietary plan upon admission to the home, with meals and snacks provided in accordance with the plan and R 325.20803 of the Michigan administrative code.
- (8) Appropriations in part 1 for the Grand Rapids veterans' home shall not be used for any purpose other than for veterans and veterans' families.
- (9) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids veterans' home shall ensure that each CENA has at least 8 hours of training on information provided by the veterans' home.
- (10) Any contractor providing competency evaluated nursing assistants to the Grand Rapids veterans' home shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.
- (11) Any contractor providing competency evaluated nursing assistants to the Grand Rapids veterans' home shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the veterans' home.
- (12) Any contractor providing competency evaluated nursing assistants to the Grand Rapids veterans' home shall ensure that each CENA has at least 1 year of experience in long-term care.
- (13) The Grand Rapids veterans' home shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the veterans' home.
- (14) All complaints of abusive or neglectful care at the Grand Rapids veterans' home by a resident member, a resident member's family or legal guardian, or staff of the veterans' home, received by a supervisor shall be referred to the director of nursing upon receipt of such complaint. The director of nursing shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period, to the home administrator, board of managers, agency, subcommittees, the senate and house fiscal agencies, and the state budget office the following information:
- (a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the Grand Rapids veterans' home.
- (b) Summary statistics on the number and general nature of complaints of abuse or neglect.
- (c) Summary statistics on the final disposition of complaints of abuse or neglect received.
- (15) The Grand Rapids veterans' home shall provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner. The Grand Rapids veterans' home shall provide all members and staff a safe and secure environment.
- (16) The Grand Rapids veterans' home shall ensure that it effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and its internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.
- (17) The Grand Rapids veterans' home shall implement controls over its food, maintenance supplies, and medical supplies inventories.
- (18) The Grand Rapids veterans' home shall implement controls over its pharmaceutical inventory.
- (19) The Grand Rapids veterans' home shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The Grand Rapids veterans' home shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.
- (20) The Grand Rapids veterans' home shall establish sufficient controls over monetary donations and donated goods.
- (21) The Grand Rapids veterans' home shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 3 business days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 10 business days of the death of that resident member.
- (22) The MVAA shall post on its website all policies adopted by the board of managers and the home related to the administrative operations of the home.

(23) The Grand Rapids veterans' home shall ensure that it meets a minimum standard of 2.5 patient care hours per patient, per day, each day, 7 days a week.

(24) The process by which visitors, residents, and employees of the Grand Rapids veterans' home may register complaints shall be displayed in high-traffic areas throughout the home.

(25) The MVAA shall report its findings regarding the Grand Rapids veterans' home's compliance with the requirements and standards under this section as provided in section 219. The quarterly reports shall include, but are not limited to, the following information:

(a) The number of patient care hours and staffing levels measured against DVA-VHA standards.

(b) The number and dollar value of lost and discarded prescriptions and the number of early prescription refills.

(c) An accounting of resident member populations at the Grand Rapids veterans' home by period of service, by gender, by care setting, and by bed space available.

(d) The financial status of the Grand Rapids veterans' home, including an accounting of post and posthumous funds, donations, and state-appropriated funds.

(e) Information regarding assessments, reassessments, and admissions at the Grand Rapids veterans' home.

(f) The number of volunteer hours at the Grand Rapids veterans' home.

(26) The Grand Rapids veterans' home shall provide to the subcommittees, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the DVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

BOARD OF MANAGERS (GRAND RAPIDS)

Sec. 502. The board of managers shall exercise certain regulatory and governance authority regarding admission and member affairs at the Grand Rapids veterans' homes. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

D.J. JACOBETTI VETERANS' HOME

Sec. 503. (1) The MVAA and the board of managers shall provide compassionate and quality nursing and domiciliary care services at the D.J. Jacobetti veterans' home so that members can achieve their highest potential of wellness, independence, self-worth, and dignity in accordance with the following program authorities:

(a) 1885 PA 152, MCL 36.1 to 36.12.

(b) 1905 PA 313, MCL 36.61.

(c) Executive Reorganization Order No. 1991-7, MCL 36.71.

(d) Executive Reorganization Order No. 2013-2, MCL 32.92.

(e) R 32.71 to R 32.89 of the Michigan administrative code.

(f) Title 38, part II, chapter 17, subchapter V of the United States Code, 38 USC 1741 to 1745.

(g) 38 CFR part 51.

(h) 38 CFR part 52.

(i) Title 38, part VI, chapter 81, subchapter III of the United States Code, 38 USC 8131 to 8138.

(j) 38 CFR part 59.

(2) The department shall provide resources necessary to provide adequate nursing care services to veterans in accordance with federal standards, including the following:

(a) A licensed minimum number of 158 residents in skilled nursing beds at the D.J. Jacobetti veterans' home.

(b) A licensed minimum number of 11 residents in domiciliary beds at the D.J. Jacobetti veterans' home.

(3) The D.J. Jacobetti veterans' home shall ensure that its medical staffing is in accordance with DVA-VHA standards.

(4) The D.J. Jacobetti veterans' home shall ensure that transportation is assured for each resident for every medical appointment outside the veterans' home.

(5) The D.J. Jacobetti veterans' home shall ensure that each member resident receives daily laundry service.

(6) The D.J. Jacobetti veterans' home shall ensure that maintenance and custodial services are provided for the home in accordance with applicable local, state and federal standards.

(7) The D.J. Jacobetti veterans' home shall ensure that each resident receives a medical and care assessment including a dietary plan upon admission to the home, with meals and snacks provided in accordance with the plan and R 325.20803 of the Michigan administrative code.

(8) Appropriations in part 1 for the D.J. Jacobetti veterans' home shall not be used for any purpose other than for veterans and veterans' families.

(9) Any contractor providing competency evaluated nursing assistants (CENA) to the D.J. Jacobetti veterans' home shall ensure that each CENA has at least 8 hours of training on information provided by the veterans' home.

(10) Any contractor providing competency evaluated nursing assistants to the D.J. Jacobetti veterans' home shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(11) Any contractor providing competency evaluated nursing assistants to the D.J. Jacobetti veterans' home shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the veterans' home.

(12) Any contractor providing competency evaluated nursing assistants to the D.J. Jacobetti veterans' home shall ensure that each CENA has at least 1 year of experience in long-term care.

(13) The D.J. Jacobetti veterans' home shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the veterans' home.

(14) All complaints of abusive or neglectful care at the D.J. Jacobetti veterans' home by a resident member, a resident member's family or legal guardian, or staff of the veterans' home, received by a supervisor shall be referred to the director of nursing upon receipt of such complaint. The director of nursing shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period, to the home administrator, board of managers, agency, subcommittees, the senate and house fiscal agencies, and the state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the D.J. Jacobetti veterans' home.

(b) Summary statistics on the number and the general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(15) The MVAA shall post on its website all policies adopted by the board of managers and the home related to the operations of the home.

(16) The process by which visitors, residents, and employees of the D.J. Jacobetti veterans' home may register complaints shall be displayed in high-traffic areas throughout the home.

(17) The MVAA shall report the following, as provided under section 219:

(a) An accounting of resident member populations at the D.J. Jacobetti veterans' home by period of service, by gender, by care setting, and by bed space available.

(b) The financial status of the D.J. Jacobetti veterans' home, including an accounting of post and posthumous funds, donations, and state-appropriated funds.

(c) Information regarding assessments, reassessments, and admissions at the D.J. Jacobetti veterans' home.

(d) The number of volunteer hours at the D.J. Jacobetti veterans' home.

(18) The D.J. Jacobetti veterans' home shall provide to the subcommittees and the senate and house fiscal agencies the results of any annual or for-cause survey conducted by the DVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

BOARD OF MANAGERS (JACOBETTI)

Sec. 504. The board of managers shall exercise certain regulatory and governance authority regarding admission and member affairs at the D.J. Jacobetti veterans' home. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

CAPITAL OUTLAY

SPECIAL MAINTENANCE - NATIONAL GUARD

Sec. 601. (1) The appropriations in part 1 for special maintenance - national guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - national guard shall be expended in accordance with the requirements of sections 302 and 304 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other national guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

SPECIAL MAINTENANCE - VETERANS' HOMES

Sec. 603. (1) The appropriations in part 1 for special maintenance - veterans' homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - veterans' homes shall be expended in accordance with the requirements of sections 501 and 503 and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids and D.J. Jacobetti veterans' homes funded from capital outlay appropriations made in part 1 and in prior appropriations years.

LAND AND ACQUISITIONS

Sec. 604. (1) The department shall provide for the acquisition and disposition of national guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions as provided under section 219.

ONE-TIME APPROPRIATIONS

SPECIAL MAINTENANCE - VETERANS' HOMES

Sec. 701. (1) The 1-time appropriations in part 1 for special maintenance - veterans' homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The 1-time appropriations for special maintenance - veterans' homes shall be expended in accordance with the requirements of sections 501 and 503 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide quarterly reports as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids and D.J. Jacobetti veterans' homes funded from 1-time appropriations made in part 1 and in prior appropriations years.

NATIONAL GUARD TUITION ASSISTANCE PROGRAM RESERVE

Sec. 702. The 1-time appropriation for the national guard tuition assistance program reserve shall be expended as provided in section 310, after the department exhausts the appropriation for national guard tuition assistance program appropriated in section 102.

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, excluding appropriations designated as 1-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted with a goal of 100% and report upon those outreach findings at quarterly legislative hearings to the subcommittees.

Sec. 1203. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the DVA.

ARTICLE XV
DEPARTMENT OF NATURAL RESOURCES

PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2015, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,222.3	
GROSS APPROPRIATION	\$	384,685,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,355,100
ADJUSTED GROSS APPROPRIATION	\$	383,330,300
Federal revenues:		
Total federal revenues		67,954,500
Special revenue funds:		
Total private revenues		10,286,300
Total other state restricted revenues		256,498,000
State general fund/general purpose	\$	48,591,500
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose	43,841,500	
One-time state general fund/general purpose	4,750,000	

FUND SOURCE SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,222.3	
GROSS APPROPRIATION	\$	384,685,400
Interdepartmental grant revenues:		
IDG, land acquisition services to work orders		229,100
IDG, MacMullan conference center revenue		1,126,000
Total interdepartmental grants and intradepartmental transfers		1,355,100
ADJUSTED GROSS APPROPRIATION	\$	383,330,300
Federal revenues:		
Federal funds		67,954,500
Total federal revenues		67,954,500

Special revenue funds:	
Private - Mann house trust fund.....	\$ 15,000
Private funds	7,771,300
State parks - private funds	2,500,000
Total private revenues	10,286,300
Cervidae licensing and inspection fees	136,900
Clean Michigan initiative fund	29,100
Commercial forest fund	28,600
Fire equipment fund	663,300
Forest development fund	31,789,400
Forest land user charges.....	281,500
Forest recreation account	2,210,300
Game and fish protection fund	78,493,100
Game and fish protection fund - deer habitat reserve.....	2,161,700
Game and fish protection fund - fisheries settlement	945,100
Game and fish protection fund - turkey permit fees.....	1,079,900
Game and fish protection fund - waterfowl fees	159,100
Game and fish protection fund - waterfowl hunt stamp.....	3,000,000
Game and fish protection fund - wildlife management public education fund.....	1,600,000
Game and fish protection fund - wildlife resource protection fund	1,119,600
Game and fish protection fund - youth hunting and fishing education and outreach fund	96,100
History fees fund	229,300
Invasive species fund	30,300
Land exchange facilitation fund	6,101,200
Local public recreation facilities fund	1,089,800
Mackinac Island state park fund.....	1,848,200
Mackinac Island state park operation fund.....	192,200
Marine safety fund	3,066,500
Michigan heritage publications fund	38,800
Michigan natural resources trust fund	1,255,300
Michigan state parks endowment fund.....	27,467,600
Michigan state waterways fund	21,870,800
Michigan trailways fund	15,400
Museum operations fund	498,000
Nongame wildlife fund	503,200
Off-road vehicle safety education fund	200,200
Off-road vehicle trail improvement fund.....	6,010,600
Park improvement fund.....	46,937,200
Permanent snowmobile trail easement fund	700,000
Public use and replacement deed fees	30,600
Recreation improvement account	1,024,600
Recreation passport fees	3,291,900
Snowmobile registration fee revenue	1,217,300
Snowmobile trail improvement fund	9,033,400
Sportsmen against hunger fund	51,900
Total other state restricted revenues	256,498,000
State general fund/general purpose	\$ 48,591,500

Sec. 102. EXECUTIVE OPERATIONS

Full-time equated unclassified positions	6.0
Full-time equated classified positions	11.6
Natural resources commission.....	\$ 77,100
Unclassified salaries—6.0 FTE positions	724,700
Executive direction—11.6 FTE positions	2,199,700
GROSS APPROPRIATION	\$ 3,001,500
Appropriated from:	
Special revenue funds:	
Forest development fund	358,500

Forest land user charges.....	\$	5,000
Forest recreation account		19,000
Game and fish protection fund		1,191,300
Game and fish protection fund - deer habitat reserve.....		24,400
Game and fish protection fund - turkey permit fees.....		14,400
Game and fish protection fund - waterfowl fees		400
Game and fish protection fund - wildlife resource protection fund		13,000
Land exchange facilitation fund		20,400
Marine safety fund		29,800
Michigan natural resources trust fund		1,500
Michigan state parks endowment fund.....		298,500
Michigan state waterways fund		162,400
Nongame wildlife fund.....		5,900
Off-road vehicle trail improvement fund.....		70,300
Park improvement fund.....		471,800
Recreation improvement account		3,300
Snowmobile registration fee revenue		10,100
Snowmobile trail improvement fund		19,400
Sportsmen against hunger fund		100
State general fund/general purpose	\$	282,000

Sec. 103. DEPARTMENT INITIATIVES

Full-time equated classified positions.....	16.0	
Great Lakes restoration initiative.....	\$	5,500,000
Michigan conservation corps.....		1,000,000
Invasive species prevention and control—16.0 FTE positions		5,000,000
GROSS APPROPRIATION	\$	11,500,000
Appropriated from:		
Federal revenues:		
Federal funds.....		5,500,000
Special revenue funds:		
State general fund/general purpose	\$	6,000,000

Sec. 104. DEPARTMENT SUPPORT SERVICES

Full-time equated classified positions.....	109.5	
Finance and operations—106.5 FTE positions.....	\$	17,576,700
Accounting service center.....		1,453,500
Legal services—3.0 FTE positions.....		458,300
Building occupancy charges.....		2,720,200
Rent - privately owned property.....		488,400
Gifts and pass-through transactions.....		5,000,000
GROSS APPROPRIATION	\$	27,697,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services to work orders		229,100
Federal revenues:		
Federal funds.....		232,400
Special revenue funds:		
Private funds		5,000,000
Clean Michigan initiative fund		29,100
Forest development fund		2,272,600
Forest land user charges.....		11,500
Forest recreation account		62,500
Game and fish protection fund		6,798,200
Game and fish protection fund - deer habitat reserve.....		167,000
Game and fish protection fund - turkey permit fees.....		115,700
Game and fish protection fund - waterfowl fees		2,900
Game and fish protection fund - wildlife resource protection fund		26,500

For Fiscal Year
Ending Sept. 30,
2015

Land exchange facilitation fund	\$	5,949,700
Local public recreation facilities fund		89,800
Marine safety fund		381,900
Michigan natural resources trust fund		1,231,800
Michigan state parks endowment fund		745,100
Michigan state waterways fund		457,500
Nongame wildlife fund		23,000
Off-road vehicle trail improvement fund		73,500
Park improvement fund		1,235,300
Public use and replacement deed fees		30,600
Recreation improvement account		16,300
Snowmobile registration fee revenue		50,400
Snowmobile trail improvement fund		117,000
Sportsmen against hunger fund		400
State general fund/general purpose	\$	2,347,300

Sec. 105. COMMUNICATION AND CUSTOMER SERVICES

Full-time equated classified positions	136.8	
Marketing and outreach—83.8 FTE positions	\$	15,173,500
Michigan historical center—38.0 FTE positions		4,172,100
Archives—8.0 FTE positions		875,800
Museum stores—6.0 FTE positions		498,000
Special programs (Mann house)—1.0 FTE position		25,500
Michigan wildlife council		1,600,000
GROSS APPROPRIATION	\$	22,344,900

Appropriated from:

Federal revenues:

Federal funds		2,119,400
Special revenue funds:		
Private - Mann house trust fund		15,000
Private funds		390,300
Forest development fund		130,400
Forest recreation account		16,200
Game and fish protection fund		9,565,700
Game and fish protection fund - wildlife management public education fund		1,600,000
Game and fish protection fund - youth hunting and fishing education and outreach fund		92,600
History fees fund		229,300
Land exchange facilitation fund		45,400
Marine safety fund		35,100
Michigan heritage publications fund		38,800
Michigan state parks endowment fund		87,800
Michigan state waterways fund		145,000
Museum operations fund		498,000
Nongame wildlife fund		10,500
Off-road vehicle safety education fund		57,500
Off-road vehicle trail improvement fund		30,500
Park improvement fund		2,563,200
Recreation passport fees		23,500
Snowmobile registration fee revenue		62,200
Snowmobile trail improvement fund		44,700
Sportsmen against hunger fund		50,800
State general fund/general purpose	\$	4,493,000

Sec. 106. WILDLIFE MANAGEMENT

Full-time equated classified positions	226.5	
Wildlife management—210.5 FTE positions	\$	33,945,800
Natural resources heritage—9.0 FTE positions		967,600
State game and wildlife area maintenance—7.0 FTE positions		1,225,700
GROSS APPROPRIATION	\$	36,139,100

Appropriated from:	
Federal revenues:	
Federal funds.....	\$ 19,042,200
Special revenue funds:	
Private funds	186,500
Cervidae licensing and inspection fees	84,200
Forest development fund	76,700
Game and fish protection fund	11,664,000
Game and fish protection fund - deer habitat reserve.....	1,837,300
Game and fish protection fund - turkey permit fees.....	884,800
Game and fish protection fund - waterfowl fees	152,200
Nongame wildlife fund	422,800
State general fund/general purpose	\$ 1,788,400

Sec. 107. FISHERIES MANAGEMENT

Full-time equated classified positions	227.5
Aquatic resource mitigation—2.0 FTE positions.....	\$ 975,400
Fish production—64.0 FTE positions	10,052,600
Fisheries resource management—161.5 FTE positions	20,577,600
Great Lakes research vessel	2,000,000
Cormorant population mitigation program	150,000
GROSS APPROPRIATION	\$ 33,755,600

Appropriated from:	
Federal revenues:	
Federal funds.....	11,061,600
Special revenue funds:	
Private funds	633,900
Game and fish protection fund	19,679,400
Game and fish protection fund - fisheries settlement.....	945,100
Invasive species fund	30,300
State general fund/general purpose	\$ 1,405,300

Sec. 108. LAW ENFORCEMENT

Full-time equated classified positions	276.0
General law enforcement—276.0 FTE positions.....	\$ 39,963,800
GROSS APPROPRIATION	\$ 39,963,800

Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
Federal funds.....	5,860,600
Special revenue funds:	
Cervidae licensing and inspection fees	52,700
Forest development fund	44,600
Forest recreation account	71,700
Game and fish protection fund	19,779,900
Game and fish protection fund - wildlife resource protection fund.....	1,039,300
Marine safety fund	1,318,100
Michigan state parks endowment fund.....	70,200
Michigan state waterways fund	21,300
Off-road vehicle safety education fund	95,900
Off-road vehicle trail improvement fund.....	1,634,100
Park improvement fund.....	71,700
Snowmobile registration fee revenue	666,500
State general fund/general purpose	\$ 9,237,200

Sec. 109. PARKS AND RECREATION DIVISION

Full-time equated classified positions	891.9
MacMullan conference center—15.0 FTE positions.....	\$ 1,126,000
Recreational boating—163.5 FTE positions	17,176,700

		For Fiscal Year Ending Sept. 30, 2015
State parks—661.4 FTE positions.....	\$	62,347,200
Forest recreation and trails—52.0 FTE positions.....		6,265,700
State parks improvement revenue bonds - debt service.....		1,175,700
Hart-Montague trail.....		530,000
GROSS APPROPRIATION	\$	88,621,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG, MacMullan conference center revenue		1,126,000
Federal revenues:		
Federal funds.....		1,724,100
Special revenue funds:		
Private funds		421,900
Forest recreation account		1,969,200
Michigan state parks endowment fund.....		19,499,300
Michigan state waterways fund		16,061,800
Michigan trailways fund		15,300
Off-road vehicle safety education fund		7,200
Off-road vehicle trail improvement fund.....		1,409,700
Park improvement fund.....		41,246,500
Recreation improvement account		328,700
Recreation passport fees		268,400
Snowmobile registration fee revenue		15,600
Snowmobile trail improvement fund.....		1,431,500
State general fund/general purpose	\$	3,096,100
Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION		
Full-time equated classified positions.....	18.0	
Historical facilities system—13.0 FTE positions	\$	1,848,200
Mackinac Island state park operations—5.0 FTE positions		442,200
GROSS APPROPRIATION	\$	2,290,400
Appropriated from:		
Special revenue funds:		
Mackinac Island state park fund.....		1,848,200
Mackinac Island state park operation fund.....		192,200
State general fund/general purpose	\$	250,000
Sec. 111. FOREST RESOURCES DIVISION		
Full-time equated classified positions.....	308.5	
Adopt-a-forest program.....	\$	25,000
Cooperative resource programs—11.0 FTE positions		1,328,600
Forest management and timber market development—165.0 FTE positions		27,253,900
Forest fire equipment.....		431,500
Wildfire protection—108.0 FTE positions.....		13,307,400
Forest management initiatives—8.5 FTE positions		838,300
Minerals management—16.0 FTE positions		2,782,600
GROSS APPROPRIATION	\$	45,967,300
Appropriated from:		
Federal revenues:		
Federal funds.....		3,104,900
Special revenue funds:		
Private funds		1,038,700
Commercial forest fund		24,200
Fire equipment fund		663,300
Forest development fund		27,414,900
Forest land user charges.....		226,600
Game and fish protection fund		2,394,800
Michigan state parks endowment fund.....		2,615,800
Michigan state waterways fund		50,200
State general fund/general purpose	\$	8,433,900

Sec. 112. GRANTS

Dam management grant program	\$	350,000
Deer habitat improvement partnership initiative		50,000
Federal - clean vessel act grants		400,000
Federal - forest stewardship grants		3,000,000
Federal - land and water conservation fund payments		2,566,900
Federal - rural community fire protection.....		400,000
Federal - urban forestry grants.....		1,600,000
Fisheries habitat improvement grants		1,500,000
Grants to communities - federal oil, gas, and timber payments		3,450,000
Grants to counties - marine safety		2,874,700
National recreational trails		3,900,000
Nonmotorized trail development and maintenance grants		1,250,000
Off-road vehicle safety training grants.....		29,200
Off-road vehicle trail improvement grants		2,776,400
Recreation improvement fund grants.....		657,100
Recreation passport local grants		1,000,000
Snowmobile law enforcement grants		380,100
Snowmobile local grants program		7,340,400
Trail easements		700,000
Wildlife habitat improvement grants.....		1,500,000
Wildlife habitat improvement grants in state forests.....		500,000
GROSS APPROPRIATION	\$	36,224,800
Appropriated from:		
Federal revenues:		
Federal funds.....		16,884,300
Special revenue funds:		
Private funds		100,000
Game and fish protection fund		3,500,000
Game and fish protection fund - deer habitat reserve.....		50,000
Local public recreation facilities fund.....		1,000,000
Marine safety fund		1,207,300
Off-road vehicle safety education fund		29,200
Off-road vehicle trail improvement fund.....		2,776,400
Permanent snowmobile trail easement fund		700,000
Recreation improvement account		657,100
Snowmobile registration fee revenue		380,100
Snowmobile trail improvement fund		7,340,400
State general fund/general purpose	\$	1,600,000

Sec. 113. INFORMATION TECHNOLOGY

Information technology services and projects.....	\$	10,179,600
GROSS APPROPRIATION	\$	10,179,600
Appropriated from:		
Special revenue funds:		
Commercial forest fund		4,400
Forest development fund		1,491,700
Forest land user charges.....		38,400
Forest recreation account		71,700
Game and fish protection fund		3,919,800
Game and fish protection fund - deer habitat reserve.....		83,000
Game and fish protection fund - turkey permit fees.....		65,000
Game and fish protection fund - waterfowl fees		3,600
Game and fish protection fund - wildlife resource protection fund		40,800
Game and fish protection fund - youth hunting and fishing education and outreach fund		3,500
Land exchange facilitation fund		85,700
Marine safety fund		94,300
Michigan natural resources trust fund		22,000

Michigan state parks endowment fund.....	\$	1,150,900
Michigan state waterways fund		397,600
Michigan trailways fund		100
Nongame wildlife fund.....		41,000
Off-road vehicle safety education fund		10,400
Off-road vehicle trail improvement fund.....		16,100
Park improvement fund.....		1,348,700
Recreation improvement account		19,200
Snowmobile registration fee revenue		32,400
Snowmobile trail improvement fund.....		80,400
Sportsmen against hunger fund		600
State general fund/general purpose	\$	1,158,300

Sec. 114. CAPITAL OUTLAY

(1) STATE PARK AND FOREST AREA IMPROVEMENTS

State parks repair and maintenance	\$	12,250,000
Wetland restoration, enhancement and acquisition.....		3,000,000
GROSS APPROPRIATION	\$	15,250,000

Appropriated from:

Special revenue funds:

State parks - private funds		2,500,000
Game and fish protection fund - waterfowl hunt stamp.....		3,000,000
Michigan state parks endowment fund.....		3,000,000
Recreation passport fees		3,000,000
State general fund/general purpose	\$	3,750,000

(2) WATERWAYS BOATING PROGRAM

Local boating infrastructure maintenance and improvements.....	\$	250,000
State boating infrastructure maintenance		2,200,000
East Tawas state harbor, Iosco County, harbor renovation, dock replacements, dredging, fueling station, new electrical/utilities, phase I (total authorized cost is increased from \$70,000 to \$3,120,000; federal share is increased from \$0 to \$1,550,000; state share is increased from \$70,000 to \$1,570,000).....		3,050,000
Naubinway, Mackinac County, breakwater protection, dredging and engineering, phase II (total authorized cost increased from \$300,000 to \$1,800,000; state share is increased from \$210,000 to \$1,710,000; local share is \$90,000).....		1,500,000
GROSS APPROPRIATION	\$	7,000,000

Appropriated from:

Federal revenues:

Federal funds.....		2,425,000
Special revenue funds:		
Michigan state waterways fund		4,575,000
State general fund/general purpose	\$	0

Sec. 115. ONE-TIME BASIS ONLY APPROPRIATIONS

River Raisin national battlefield park foundation	\$	2,000,000
Saginaw River feasibility study		280,000
Flint River dike repair		1,000,000
Hart-Montague trail.....		470,000
City of Alma/Alma College public safety land improvements		1,000,000
GROSS APPROPRIATION	\$	4,750,000

Appropriated from:

Special revenue funds:

State general fund/general purpose	\$	4,750,000
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PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$305,089,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$5,123,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF NATURAL RESOURCES
GRANTS**

Dam management grant program	\$ 175,000
Grants to counties - marine safety	1,207,300
Off-road vehicle safety training grants.....	29,200
Off-road vehicle trail improvement grants	516,000
Recreation improvement fund grants.....	65,700
Recreation passport local grants	1,000,000
Snowmobile law enforcement grants	380,100

CAPITAL OUTLAY

Waterways boating program	\$ 1,750,000
TOTAL.....	\$ 5,123,300

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "Commission" means the natural resources commission.
- (b) "Department" means the department of natural resources.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "IDT" means intradepartmental transfer.

Sec. 204. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 205. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 206. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies in their respective appropriation acts:

Legislative auditor general.....	\$ 30,100
Attorney general.....	838,000
Department of technology, management, and budget	565,000
Department of treasury.....	2,454,000

Sec. 207. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2015.

Sec. 210. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 211. The director of the department shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 214. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 215. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 217. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 218. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 220. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 222. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 223. Before January 31, 2015, the department, in cooperation with the Michigan state waterways commission, shall provide to the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies a list of projects completed by the commission in fiscal year 2013-2014, including the county and municipality in which each project is located.

Sec. 234. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 235. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 237. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$46,680,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$26,090,800.00. Total agency appropriations for retiree health care legacy costs are estimated at \$20,589,900.00.

DEPARTMENT INITIATIVES

Sec. 250. As a condition on the expenditure of funds in part 1 for the Michigan conservation corps, the department shall work with the Michigan civilian conservation corps partnership steering committee established in section 22 of the Michigan civilian conservation corps act, 1984 PA 22, MCL 409.322, to plan for a nonprofit Michigan civilian conservation corps that is administered outside of state government.

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than \$3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2015, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director of the department at a rate which allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 404. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 405. As appropriated in part 1, proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on natural resources 1 week prior to any auctions or sales. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 406. As appropriated in part 1, funds collected by the department for historical markers; document reproduction and services; conferences, admissions, workshops, and training classes; and the use of specialized equipment, facilities, exhibits, collections, and software shall be used for expenses necessary to provide the required services. The department may charge fees for the aforementioned services, including admission fees. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 408. By October 21, 2014, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the commission in the fiscal year ending September 30, 2014. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 503. From the funds appropriated in part 1, the department shall produce a report detailing any efforts undertaken to enforce the invasive species order on swine raised under the husbandry of residents of this state. The report shall include fund sources used and the amount of expenditures and shall be submitted to the legislature by December 31, 2014.

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall not be used for anything other than work directly related to the regulation of privately owned cervid operations in this state.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than \$758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341.

(b) The federal energy regulatory commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 603. The department shall provide a quarterly report to the legislature on use of funding provided for cormorant management. The department shall use general fund/general purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant management to the United States department of agriculture animal and plant health inspection service to allow for increased taking of cormorants and their nests. If any funds appropriated for cormorant management are retained by the department, or other funds become available for this purpose, the department shall use those funds to harass cormorants with the goal of reducing foraging attempts on fish populations.

PARKS AND RECREATION DIVISION

Sec. 702. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies if it intends to reduce operations or reduce recreation opportunities in any state park or recreation area.

Sec. 704. If Senate Bill Nos. 873 through 877 of the 97th Legislature are enacted into law, from the appropriations in part 1, the department shall allocate \$200,000.00 for the Pure Michigan trails program as described in those bills.

FOREST RESOURCES DIVISION

Sec. 802. Of the funds appropriated in part 1, the department shall, subject to the forest certification process, prescribe treatment on 79,000 acres, prepare appropriate treatment for not less than 67,500 acres at the current average rate of 12.5 to 15 cords per acre, and offer those cords for sale in the 2014-2015 fiscal year, provided that the department shall take into consideration the impact of timber harvesting on wildlife habitat and recreation uses. The department shall, subject to the forest certification process, increase marking or treatment of hardwood timber for sale and harvest by 10% over 2013-2014 fiscal year levels. In addition, the department shall take into consideration silvicultural analysis and report annually to the legislature on plans and efforts to address factors limiting management of timber. The department shall increase the number of prepared acres if it appears that regional market demand requires increased volumes of harvested timber. The department shall provide quarterly reports on the number of acres treated, pursuant to this section, to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department shall complete and deliver these reports no later than 45 days after the end of the fiscal quarter.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources for the purpose of providing response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of the expenditures under this section by November 1, 2015.

Sec. 804. The department shall continue to work cooperatively with horseback riding interests to maximize riding opportunities in the state.

Sec. 805. The department shall spend amounts appropriated in part 1 for forest-related activities to employ or contract for sufficient foresters to mark timber, pursuant to section 802.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If federal emergency management agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

Sec. 808. Using the funds appropriated in part 1, by April 1, 2015, the department shall develop a lawful and reasonable plan designed to motivate lessees under state-granted oil and gas leases past their primary term to undertake warranted new operations to ensure that department-managed minerals are fully developed in an orderly manner to increase and optimize production. The plan shall be consistent with department procedure number 2306.E8.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82160, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the

snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1, 2014. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, 2014, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2014.

Sec. 1002. Subject to part 811 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81101 to 324.81150, from the funds appropriated in part 1 for off-road vehicle trail improvements grants, not less than \$980,000.00 shall be spent on the development of new trails in accordance with the off-road vehicle trail expansion plan submitted to the legislature pursuant to section 807 of article 14 of 2005 PA 154.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1201. Using funds appropriated in part 1, the department shall conduct a study to determine the feasibility of deepening the Saginaw River from the 6th Street turning basin to the Saginaw Bay for the purpose of increasing economic activity in the region.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1301. Except as otherwise provided in this part, it is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

Sec. 1302. It is the intent of the legislature that the department identify the amounts for normal retirement costs and legacy retirement costs for the fiscal year ending on September 30, 2016 for the line items listed in part 1.

ARTICLE XVI
DEPARTMENT OF STATE POLICE
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this part and part 2, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2015, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF STATE POLICE
APPROPRIATION SUMMARY**

Full-time equated unclassified positions	3.0		
Full-time equated classified positions	3,070.0		
GROSS APPROPRIATION		\$	639,573,000
Total interdepartmental grants and intradepartmental transfers			26,233,200
Schedule of interdepartmental grants and intradepartmental transfer revenue sources:			
IDG-MDOC, contract	340,100		
IDG-MDOS	364,500		
IDG-MDOT, state trunkline fund	11,433,400		
IDG-MDTR, casino gaming fees	6,134,100		
IDG-MDTR, emergency telephone fund coordinator	677,000		
IDG-MDTR, emergency telephone fund operations	742,200		
IDG, training academy charges	2,814,400		
IDT, auto theft funds	761,000		
IDT, Michigan justice training fund	1,050,000		
IDT, truck safety fund	1,916,500		
ADJUSTED GROSS APPROPRIATION		\$	613,339,800
Total federal revenues			99,429,900
Schedule of federal revenue sources:			
DHS	51,914,400		
DOJ	14,184,700		
DOJ interest bearing	8,141,600		
DOT	23,563,700		
Federal investigations - reimbursed services	1,088,300		
Federal narcotics investigation revenues	537,200		
Total local revenues			4,861,700
Schedule of local revenue sources:			
Local - AFIS fees	82,000		
Local - LEIN fees	1,023,500		
Local - reimbursed services	2,064,700		
Local - school bus revenue	1,691,500		
Total private revenues			77,200
Schedule of private revenue sources:			
Private donations	77,200		
Total other state restricted revenues			124,800,000
Schedule of restricted revenue sources:			
Auto theft prevention fund	7,298,700		
Concealed weapons enforcement fee	100,000		
CJIC service fees	21,560,400		
Drunk driving prevention and training fund	1,445,600		
Forensic science reimbursement fees	1,525,600		
Forfeiture funds	99,100		
Hazardous materials training center fees	1,183,200		
Highway safety fund	13,624,300		
Licensing fees	9,100		
Michigan justice training fund	8,491,600		
Michigan merit award trust fund	793,900		
Motor carrier fees	4,687,600		
Narcotics investigation revenue	814,600		

Nuclear plant emergency planning reimbursement	2,671,900		
Precision driving track fees	323,500		
Reimbursed services	752,900		
Rental of department aircraft	59,400		
Secondary road patrol and training fund	12,275,900		
Sex offenders registration fund	609,800		
State forensic laboratory fund.....	1,767,600		
State police service fees	2,288,700		
State services fee fund	7,990,900		
Tobacco tax revenue.....	4,438,600		
Traffic crash revenue	335,400		
Traffic law enforcement and safety fund	26,732,000		
Trooper school recruitment fund	901,100		
Truck driver safety fund	2,018,600		
State general fund/general purpose		\$	384,171,000
State general fund/general purpose schedule:			
Ongoing state general fund/general purpose.....	366,191,700		
One-time state general fund/general purpose	17,979,300		

Sec. 102. EXECUTIVE AND DEPARTMENTAL SERVICES

Full-time equated unclassified positions	3.0		
Full-time equated classified positions	124.0		
Unclassified positions.....		\$	724,700
Executive and departmental services.....			90,888,500
Schedule of programs:			
Executive direction	3,068,200		
State executive security.....	2,564,900		
Capitol complex security	2,577,700		
Departmental services.....	82,677,700		
GROSS APPROPRIATION		\$	91,613,200
Appropriated from:			
Interdepartmental grant revenues.....			1,407,300
Federal revenues			9,858,100
Local revenues			1,117,300
State restricted revenues.....			19,415,100
State general fund/general purpose		\$	59,815,400

Sec. 103. LAW ENFORCEMENT SERVICES

Full-time equated classified positions	484.0		
Law enforcement services		\$	86,776,200
Schedule of programs:			
Training.....	12,675,900		
Commission on law enforcement standards.....	10,063,600		
Criminal justice information systems	15,880,900		
Laboratory operations	32,139,600		
DNA analysis program.....	8,418,100		
Biometrics and identification.....	7,598,100		
GROSS APPROPRIATION		\$	86,776,200
Appropriated from:			
Interdepartmental grant revenues.....			5,508,100
Federal revenues			9,077,700
State restricted revenues.....			34,529,000
State general fund/general purpose		\$	37,661,400

Sec. 104. FIELD SERVICES

Full-time equated classified positions	1,971.0		
Field services.....		\$	300,703,000
Schedule of programs:			
General law enforcement and traffic safety.....	239,572,000		

Security at events.....	100	
Criminal investigations.....	53,845,000	
Tobacco tax fraud investigations	5,226,400	
Fire investigations.....	2,059,500	
GROSS APPROPRIATION		\$ 300,703,000
Appropriated from:		
Interdepartmental grant revenues.....		6,717,200
Federal revenues.....		7,719,500
Local revenues		2,064,700
State restricted revenues.....		47,802,000
State general fund/general purpose		\$ 236,399,600

Sec. 105. SPECIALIZED SERVICES

Full-time equated classified positions.....	491.0	
Specialized services		\$ 141,251,300
Schedule of programs:		
Special operations.....	26,370,600	
Commercial vehicle enforcement	27,704,900	
Emergency management and homeland security.....	59,978,300	
Highway safety planning.....	16,131,400	
Secondary road patrol program	11,066,100	
GROSS APPROPRIATION		\$ 141,251,300
Appropriated from:		
Interdepartmental grant revenues.....		12,600,600
Federal revenues.....		72,774,600
Local revenues		1,679,700
Private revenues.....		77,200
State restricted revenues.....		21,803,900
State general fund/general purpose		\$ 32,315,300

Sec. 106. ONE-TIME APPROPRIATIONS

Trooper school		\$ 4,408,500
Emergency support team vehicles		225,000
Motor carrier school.....		1,181,900
Aviation support - helicopter purchase.....		4,932,000
LEIN conversion language.....		350,000
Electronic warrant report system.....		750,000
Michigan international speedway traffic control.....		831,900
Local public safety initiative		4,550,000
Rent and building occupancy charges - Marshall post.....		2,000,000
GROSS APPROPRIATION		\$ 19,229,300
Appropriated from:		
State restricted revenues.....		1,250,000
State general fund/general purpose		\$ 17,979,300

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$508,971,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$19,755,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

Law enforcement services	\$ 3,576,400
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Schedule of programs:		
Commission on law enforcement standards.....	3,576,400	
Specialized services	\$	11,629,200
Schedule of programs:		
Special operations.....	673,800	
Highway safety planning.....	10,955,400	
Local public safety initiative	\$	4,550,000
TOTAL.....	\$	19,775,600

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "CFDA" means catalog of federal domestic assistance.
- (c) "CJIC" means the criminal justice information center.
- (d) "CJIS" means criminal justice information systems.
- (e) "Core service" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.
- (f) "Department" means the department of state police.
- (g) "DHS" means the United States department of homeland security.
- (h) "DNA" means deoxyribonucleic acid.
- (i) "DOJ" means the United States department of justice.
- (j) "DOT" means the United States department of transportation.
- (k) "DTMB" means the department of technology, management, and budget.
- (l) "FEMA" means the federal emergency management agency.
- (m) "FTE" means full-time equated.
- (n) "IDG" means interdepartmental grant.
- (o) "IDT" means intradepartmental transfer.
- (p) "LEIN" means the law enforcement information network.
- (q) "MCOLES" means Michigan commission on law enforcement standards.
- (r) "MDCH" means the Michigan department of community health.
- (s) "MDOC" means the Michigan department of corrections.
- (t) "MDOS" means the Michigan department of state.
- (u) "MDOT" means the Michigan department of transportation.
- (v) "MDTR" means the Michigan department of treasury.
- (w) "MPSCS" means Michigan public safety communications system.
- (x) "Subcommittees" means all members of the subcommittees of the senate and house standing committees on appropriations with jurisdiction over the budget for the department.
- (y) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The following shall constitute the appropriations from part 1 for interdepartmental grant funds received by the department from sources outside the department: \$2,814,400.00 from training academy charges; \$340,100.00 from the department of corrections contract; \$364,500.00 from the department of state; \$11,433,400.00 from the department of transportation - state trunkline funds; \$6,134,100.00 from casino gaming fees; \$677,000.00 from the department of treasury - emergency telephone fund coordinator; and \$761,000.00 from the department of treasury - emergency telephone fund operations.

Sec. 204a. (1) The following shall constitute the appropriations from part 1 for interdepartmental grant funds made from the department to other departments:

Attorney general - operations	\$ 352,700
Attorney general - justice training grant	162,900
Environmental quality	1,312,800
Judiciary - justice training grant	814,400
Military and veterans affairs	100,000
DTMB - building occupancy charges.....	7,105,900
DTMB - accounting service center.....	1,045,700
DTMB - information technology	23,903,400

(2) Based on the availability of federal funding and the demonstrated need as indicated by applications submitted to the state court administrative office, the department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 205a. Federal DHS revenue appropriated in part 1 may be received from, but is not limited to, the following programs: homeland security grant program (CFDA 97.067), national incident management system (CFDA 97.107), buffer zone protection plan (CFDA 97.078), pre-disaster mitigation (CFDA 97.047), emergency management performance grants (CFDA 97.042), hazard mitigation (CFDA 97.039), disaster grants - public assistance (CFDA 97.036), flood mitigation assistance (CFDA 97.029), and applied meteorological research (CFDA 11.468).

Sec. 205b. Federal DOJ revenue appropriated in part 1 may be received from, but is not limited to, the following programs: national criminal history improvement program (CFDA 16.554), public safety partnership and community policing (CFDA 16.710), violence against women grants (CFDA 16.588), Paul Coverdell forensic sciences improvement grant (CFDA 16.742), DNA backlog reduction grants (CFDA 16.741), missing children's assistance program (CFDA 16.543), domestic cannabis eradication and suppression, bulletproof vest partnership (CFDA 16.609), project safe neighborhoods (CFDA 16.609), Edward Byrne memorial justice assistance grants (CFDA 16.738), enforcing underage drinking laws program (CFDA 16.727), the residential substance abuse treatment for state prisoners grant program (CFDA 16.593), and the high intensity drug trafficking areas program (CFDA 95.001).

Sec. 205c. Federal DOT revenue appropriated in part 1 may be received from, but is not limited to, the following programs: state and community highway safety (CFDA 20.600), motor carrier safety assistance (CFDA 20.218), new entrant safety assurance program (CFDA 20.218), and border enforcement grant program (CFDA 20.233).

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website that is accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 208. The department and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 and this part shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan small businesses that have veterans compose at least 35% of their total workforce. As used in this section:

(a) "Small business" means that term as defined in section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

(b) "Veteran" means that term as defined in section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 210. The department shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the department. The director of the department shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 212. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department and agencies receiving appropriations in part 1 may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 215. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. (1) Notwithstanding any other provision of this part, the schedule of programs in part 1 lists programs which may, but are not required to be, funded under this part or part 1.

(2) Notwithstanding any other provisions of this part, the schedule of revenue sources in part 1 may or may not be received from the funding entities listed or in the amounts listed.

(3) The secondary road patrol funding is not subject to funding flexibility and shall be funded in accordance with section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e.

(4) Any funding required by statute is not subject to funding flexibility and shall be funded in accordance with that statute.

Sec. 217. The department shall improve its budgetary efficiency pertaining to the delivery of core services by doing all of the following:

(a) Prioritizing personnel over buildings in budgetary efficiency considerations.

(b) Pursuing the physical or virtual consolidation of support service functions such as information technology, human resources, and accounting as a means of improving standardization and efficiency.

(c) Seeking expenditure reductions whenever possible through the streamlining of existing service delivery activities.

(d) Identifying efficiencies that can be gained via the reduction or elimination of programs, policies, and practices.

Sec. 218. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. (1) The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or required to be reported in this part.

(2) The department shall provide all information necessary to validate that the requirements of this part have been achieved.

(3) The department shall provide a corrective action plan within 30 days of a quarterly report under this section for any requirements of this part that have not been achieved. The department shall provide a monthly status of correction action plans.

(4) The department shall provide a summary of fund shifts, that have been approved by the state budget office, that have occurred between items listed in the schedule of programs mentioned in part 1 on a quarterly basis to the subcommittees and the senate and house fiscal agencies.

Sec. 221. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) State executive security, including capitol complex security.

(b) Training.

(c) Commission on law enforcement standards.

(d) Criminal justice information systems.

(e) Scientific analysis and identification, including laboratory operations, DNA analysis program, and biometrics and identification.

(f) General law enforcement and traffic safety.

(g) Criminal investigations, including tobacco tax fraud investigations and fire investigations.

(h) Special operations.

(i) Commercial vehicle enforcement.

(j) Emergency management and homeland security.

(k) Highway safety planning, including the secondary road patrol program.

Sec. 222. The department shall notify the subcommittees, the chairpersons of the senate and house standing committees on appropriations, and the senate and house fiscal agencies not less than 90 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 223. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 224. Funds appropriated in part 1 or this part shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 226. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to state agencies.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriations lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 230. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 232. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies to establish interoperability standards to ensure effective communication among public safety agencies and to facilitate the use of the MPSCS towers by those local public safety agencies that have an interest in using the towers as a part of their communication system. The department shall also report user issues to the DTMB.

Sec. 233. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$121,652,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$66,300,300.00, and total agency appropriations for retiree health care legacy costs are estimated at \$55,352,600.00.

Sec. 235. The department shall initiate discussions with the city of Wayland regarding a potential partnership between the city and the department for a joint public safety building located in the city. The department shall examine the feasibility and financial costs and benefits to the state for leasing space at that facility. The department shall provide a status report to the subcommittees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office no later than December 1, 2014.

EXECUTIVE AND DEPARTMENTAL SERVICES

UNCLASSIFIED POSITIONS

Sec. 300. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as provided under section 5 of article XI of the state constitution of 1963 and section 455 of the management and budget act, 1984 PA 431, MCL 18.1455. These positions include the following: department director, chief administrative officer, and executive director of the Michigan commission on law enforcement standards.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

EXECUTIVE DIRECTION

Sec. 301. From the funds appropriated in part 1, the department shall provide for executive administration of the department, as provided under 1935 PA 59, MCL 28.1 to 28.16, and chapter 7 of the executive organization act of 1965, 1965 PA 380, MCL 16.250 to 16.258.

STATE EXECUTIVE SECURITY

Sec. 302. The department shall provide for the protection of the governor and visiting dignitaries to the state.

STATE EXECUTIVE SECURITY - CAPITOL COMPLEX SECURITY

Sec. 303. (1) The department shall provide security services at the state capitol complex facilities as provided under section 6c of 1935 PA 59, MCL 28.6c.

(2) The department shall maintain the staff and resources necessary to respond to emergencies at the house office building, Farnum building, capitol parking lot, Townsend parking ramp, the Roosevelt parking ramp, and other areas as directed.

(3) The department shall pursue federal grants to improve the security at the capitol building.

(4) The department may develop a phased approach for improving security at the capitol building.

(5) The department shall dedicate a minimum of 35,000 patrol hours for the state capitol complex facilities.

DEPARTMENTAL SERVICES

Sec. 304. (1) The department shall provide administrative support for department operations, as provided under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, including the following:

(a) The department shall maintain the staffing and resources necessary to ensure proper accountability of state funds.

(b) The department shall maintain the staffing and resources necessary to adhere to the state of Michigan financial management guide for accounting, contracting, purchasing, budgeting, and financial reporting and the administrative guide to state government.

(c) The department shall ensure fiscal controls relating to procurement of goods and services and other expenditures.

(2) From the funds appropriated in part 1 for departmental services, the department shall provide for the following grant and community service support functions:

(a) The operations of the automobile theft prevention authority, as provided under chapter 61 of the insurance code of 1956, 1956 PA 218, MCL 500.6101 to 500.6111.

(b) Administration of the Edward Byrne memorial justice assistance program established under 42 USC 3751(a), and other programs transferred to the department, as provided under Executive Reorganization Order No. 2009-29, MCL 28.91.

(c) The asset forfeiture reporting requirement under section 7524a of the public health code, 1978 PA 368, MCL 333.7524a.

(3) From the funds appropriated in part 1 for departmental services, the department shall provide oversight and administration of 9-1-1 operations statewide, as provided under the emergency 9-1-1 service enabling act, 1986 PA 32, MCL 484.1101 to 484.1717.

(4) From the funds appropriated in part 1 for departmental services, \$23,904,400.00 shall be used as a pass through via an IDG to the department of technology, management, and budget for technology services, including maintenance and repair service and technology projects, to maximize the operational efficiency and effectiveness of the department.

(5) From the funds appropriated in part 1 for departmental services, funds shall be provided for management operations costs for the department's forensic laboratory located in the Detroit public safety headquarters. The funds shall cover the department's share of annual operating costs for the facility, including repairs, maintenance, utilities, building management, parking, and janitorial services, as a result of it occupying approximately 52,000 square feet, or 18.56%, of the facility's usable space.

LAW ENFORCEMENT SERVICES

TRAINING

Sec. 401. (1) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the development and delivery of professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community as provided under 1925 PA 211, MCL 28.221 to 28.225.

(2) The department shall provide for the effective recruitment, selection, and hiring of qualified applicants for all positions within the department. As part of its recruitment efforts, the department shall, to the extent consistent with its hiring standards and applicable civil service rules, place an emphasis on recruiting MCOLES-certified police officers for its recruit schools, particularly those officers who are on layoff and possess a valid MCOLES license.

(3) The department shall provide the following performance data as provided under section 219:

(a) The number of state and local law enforcement and other criminal justice employees receiving MSP-provided instruction, with an annual goal of at least 10,000 individuals.

(b) The average classroom occupancy rate, with an annual goal of 55%.

(c) The number of community members provided educational opportunities for personal and professional growth, with a goal of a minimum of 3,000 community members.

(4) Beginning October 1, the department shall submit a report to the subcommittees and the senate and house fiscal agencies within 60 days of the conclusion of any trooper or motor carrier recruit school. The report shall include the following:

(a) The number of veterans and the number of MCOLES-certified police officers who commenced that trooper recruit school.

(b) The number of veterans and the number of MCOLES-certified police officers who concluded that trooper recruit school.

(c) The devices or campaigns that were used to specifically recruit veterans and MCOLES-certified police officers for that trooper recruit school.

(d) The number of recruits who began the school, the number of recruits who graduated, and the cities or posts in which each of these recruits is assigned or stationed.

(5) The department shall distribute and review course evaluations to ensure quality training is provided.

(6) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the provision of specialized traffic safety-support services under the following program authorities:

(a) Section 625h of the Michigan vehicle code, 1949 PA 300, MCL 257.625h, and R 325.2651 to R 325.2659 of the Michigan administrative code.

(b) Sections 628, 651, and 675 of the Michigan vehicle code, 1949 PA 300, MCL 257.628, 257.651, and 257.675.

(c) Section 658 of the Michigan vehicle code, 1949 PA 300, MCL 257.658, and R 28.951 to R 28.961 of the Michigan administrative code.

(d) Section 710a of the Michigan vehicle code, 1949 PA 300, MCL 257.710a, and R 28.901 to R 28.911 of the Michigan administrative code.

(e) Section 1 of 1956 PA 62, MCL 257.951, and R 28.1001 to R 28.2075 of the Michigan administrative code.

(f) Section 727c of the Michigan vehicle code, 1949 PA 300, MCL 257.727c.

(g) Section 608 of the Michigan vehicle code, 1949 PA 300, MCL 257.608.

COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 404. (1) MCOLES shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities necessary to establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide, as provided under the following authorities:

(a) The commission on law enforcement standards act, 1965 PA 203, MCL 28.601 to 28.616, and R 28.14101 to R 28.14702 of the Michigan administrative code.

(b) 1982 PA 302, MCL 18.421 to 18.429, and R 28.14901 to R 28.14910 of the Michigan administrative code.

(c) Executive Reorganization Order No. 2001-2, as amended by Executive Reorganization Order No. 2008-3, MCL 28.621.

(d) The railroad code of 1993, 1993 PA 354, MCL 462.101 to 462.451.

(e) The private security business and security alarm act, 1968 PA 330, MCL 338.1051 to 338.1092.

(f) Section 5v of 1927 PA 372, MCL 28.425v.

(g) 42 USC 3796gg and 28 CFR part 90, to the extent MCOLES receives grant assistance from the DOJ.

(h) The public safety officers benefit act, 2004 PA 46, MCL 28.631 to 28.638, and R 28.14951 to R 28.14966 of the Michigan administrative code.

(2) MCOLES shall provide information on the following at the time it submits a report under section 7 of the commission on law enforcement standards act, 1965 PA 203, MCL 28.607:

(a) The number of licensed police officers, by the type of law enforcement agency.

(b) The number of new police officer licenses issued.

(c) The number of police officer license revocations.

(3) MCOLES shall provide biannual summary data on justice training fund grants provided under section 3 of 1982 PA 302, MCL 18.423.

(4) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 30 days of the effective date of any new legislation.

CRIMINAL JUSTICE INFORMATION SYSTEMS

Sec. 405. (1) The department shall maintain criminal justice information systems in the support of public safety and law enforcement communities in this state. The department shall maintain the staffing and resources necessary to exercise its general authority, powers, functions, and responsibilities concerning the maintenance of CJIS applications and databases in accordance with the following program authorities:

(a) 1925 PA 289, MCL 28.241 to 28.248.

- (b) The C.J.I.S. policy council act, 1974 PA 163, MCL 28.211 to 28.215.
- (c) Executive Reorganization Order No. 2008-2, MCL 28.162.
- (d) Executive Order No. 2011-7.
- (e) R 28.5101 to R 28.5414 of the Michigan administrative code.
- (f) 1935 PA 86, MCL 28.261 to 28.262.
- (g) 1935 PA 120, MCL 28.271 to 28.273.
- (h) 1945 PA 294, MCL 28.411 to 28.413.

(i) To the extent federal grant assistance is received, the national criminal history improvement program authorized under the crime technology improvement act of 1998, 42 USC 3732, and related statutes to improve the accuracy, quality, timeliness, accessibility, and integration of its CJIS applications and databases.

(2) The department shall prepare a report to the legislature defining a list of options to reduce the LEIN budget without adversely impacting services to customers.

(3) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies.

(4) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the uniform system of reporting crimes and the compilation of crime statistics in accordance with the following program authorities:

- (a) 1968 PA 319, MCL 28.251 to 28.259.

(b) 28 USC 534, to the extent necessary to comply with the federal-state uniform crime reporting (UCR) program and the national incident-based report system (NIBRS) established by the federal bureau of investigation pursuant to 28 CFR 0.85.

(5) The department shall publish annual Michigan crime statistics consistent with the UCR and NIBRS programs and notify the subcommittees when the data are published on the department's website.

(6) The department shall process requests for public records as provided under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(7) By December 1, the department shall provide the following information for the prior fiscal year:

- (a) The number of public records requests received.
- (b) The number of public records requests fulfilled.
- (c) The number of public records requests denied.
- (d) The total amount of fees received for fulfilled requests.

(8) The department shall exercise the authority, powers, functions, and responsibilities concerning the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system in accordance with the following program authorities:

- (a) Section 622 of the Michigan vehicle code, 1949 PA 300, MCL 257.622.
- (b) Section 82132 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82132.
- (c) Section 81143 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81143.
- (d) The fatality analysis reporting system, as developed by the national highway traffic safety administration.

(e) The federal moving ahead for progress in the 21st century act, 23 USC 405, to the extent grant assistance is received to improve the timeliness, accuracy, completeness, uniformity, integration, and accessibility of state traffic safety data.

(9) The department shall provide data on the number of copies of traffic crash reports (form UD-10) provided via the traffic crash reporting system, as provided under section 219.

(10) The department shall make traffic crash information available to the public at a reasonable cost. For bulk access to the accident records in which the vehicle identification number has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

(11) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the maintenance and dissemination of criminal history records and juvenile records in accordance with the following program authorities:

- (a) 1925 PA 289, MCL 28.241 to 28.248.
- (b) 1935 PA 120, MCL 28.271 to 28.273.

(c) 28 USC 534, to the extent necessary to exchange criminal history records information for criminal justice purposes.

(d) 28 CFR part 20, to the extent necessary to exchange criminal history records information with the federal bureau of investigation and other states through the interstate identification index, the national crime information center, and other federal CJIS databases and indices.

(e) The criminal justice information security policy, as developed and approved by the federal bureau of investigation and the federal CJIS advisory policy board.

(f) Public Law 92-544, 28 USC 534 note, and Michigan statutes approved under that act, to the extent necessary to exchange criminal history records information for employment and licensing purposes.

(g) The national crime prevention and compact act of 1998, 42 USC 14611 to 14616, 28 CFR chapter IX, and 2008 PA 493, MCL 3.1051 to 3.1053, to exchange criminal history records information for non-criminal-justice purposes.

(12) The department shall provide information on the number of fingerprint checks processed and background checks processed through the Internet criminal history access tool (ICHAT) as provided in section 219.

(13) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the maintenance of records, including criminal history records checks, regarding firearms licensure as provided under the following program authorities:

(a) 1927 PA 372, MCL 28.421 to 28.435.

(b) The federal gun control act, 18 USC chapter 44.

(c) 28 CFR part 25, subpart A, to the extent necessary to ensure compliance with the national instant criminal background check system.

(14) The department shall provide to the legislature a report not later than December 1, 2014 that includes all of the following:

(a) The department's actual revenue received from fees paid for concealed pistol license (CPL) applications for fiscal year 2013-2014 and the uses of that revenue.

(b) The department's fiscal year 2013-2014 costs for administering their responsibilities under sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5m, 6, 6a, and 8 of 1927 PA 372, MCL 28.424, 28.425, 28.425a, 28.425b, 28.425c, 28.425d, 28.425e, 28.425m, 28.426, 28.426a, and 28.428, itemized under each section and not including costs related to the administration of other sections of this statute, other state statutes, or requirements of federal law.

(c) An itemization of the fiscal year 2013-2014 revenue, source of revenue, expenditures, purpose of expenditures, and amount remaining at the end of fiscal year 2013-2014 for the concealed weapon enforcement fund created under section 5v of 1927 PA 372, MCL 28.425v.

(15) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the registration of sex offenders in accordance with the following program authorities:

(a) Sex offenders registration act, 1994 PA 295, MCL 28.721 to 28.736.

(b) The sex offender registration and notification act, 42 USC 16901 to 16962.

(c) 28 CFR part 72.

(d) Guidelines interpreting and implementing the sex offender registration and notification act approved by the United States attorney general pursuant to 42 USC 16912 on July 2, 2008 and January 11, 2009.

(16) The department shall provide the following information as provided in section 219:

(a) The total number of active registered sex offenders in the law enforcement sex offender database, by offense tier level and incarceration status.

(b) The total number of active registered sex offenders in the public sex offender registry, by offense tier level and incarceration status.

(17) The sex offender registry unit shall follow up on tips assigned to law enforcement agencies within 10 working days.

SCIENTIFIC ANALYSIS AND IDENTIFICATION - LABORATORY OPERATIONS

Sec. 412. (1) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the operation of the department's forensic laboratories, including the examination and analysis of drugs, latent prints, firearms, tool marks, explosives, questioned documents, serological and toxicological samples, the processing of major crime and disaster scenes, and the provision of expert testimony in criminal court cases, to aid in criminal investigations, as provided under the following program authorities:

(a) The forensic laboratory funding act, 1994 PA 35, MCL 12.201 to 12.211.

(b) Section 625a of the Michigan vehicle code, 1949 PA 300, MCL 257.625a, section 190 of 1945 PA 327, MCL 259.190, and R 325.2671 to R 325.2675 of the Michigan administrative code.

(c) The Paul Coverdell national sciences improvement act of 2000, 42 USC 3797j to 3797o, to the extent federal grant assistance is received.

(2) The department shall ensure its ability to maintain accreditation by the American society of crime laboratory directors/laboratory accreditation board (ASCLD/LAB), or other federally designated accrediting agency, as provided under 42 USC 14132.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with that received in fiscal year 2012-2013, and shall achieve a goal of a 30-day average turnaround time across all forensic science disciplines by December 31, 2016.

(4) The department shall provide the following data as provided in section 219:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

(5) The department shall maintain the staffing and resources necessary to provide lab operations services with a goal of decreasing firearms backlog by 20% per year until eliminated, assuming an annual caseload volume of 5,200 cases received.

(6) The department shall maintain the staffing and resources necessary to provide lab operations services with a goal of decreasing toxicology backlog by 15% per year until eliminated, assuming an annual caseload volume of 20,000 cases received.

SCIENTIFIC ANALYSIS AND IDENTIFICATION - DNA ANALYSIS PROGRAM

Sec. 413. (1) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the forensic testing of DNA evidence and samples to cooperate with all law enforcement agencies within the state by providing analysis of DNA for criminal investigations as provided under the following program authorities:

(a) The DNA identification profiling system act, 1990 PA 250, MCL 28.171 to 28.176, and R 28.5051 to R 28.5059 of the Michigan administrative code.

(b) The DNA identification act, 42 USC 14131 to 14137c.

(c) Any applicable grant requirements pursuant to the DNA backlog reduction grant program established by the DOJ national institute of justice, to the extent federal funding is received under that program.

(d) 42 USC 3796gg and 28 CFR part 90, to the extent federal funding is received for the forensic testing and profiling of DNA evidence.

(2) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

(3) The department shall maintain the staffing and resources necessary to provide DNA analysis services with a goal of decreasing backlogs by 15% per year until eliminated, assuming an annual caseload volume of 10,500 cases received.

SCIENTIFIC ANALYSIS AND IDENTIFICATION - BIOMETRICS AND IDENTIFICATION

Sec. 414. (1) The purpose of the biometrics and identification division is to cooperate with all law enforcement agencies within the state by providing services including the specialized use of identification databases and technologies for the purpose of identifying criminals. This includes the use of unique physiological characteristics, such as fingerprints, palm prints, and DNA. The biometrics and identification division shall house and manage the automated fingerprint identification system (AFIS), the statewide network of agency photographs, and combined offender DNA index system (CODIS) biometric databases. The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning maintenance of biometrics and identification databases and technologies in accordance with the following program authorities:

(a) 1925 PA 289, MCL 28.241 to 28.248.

(b) The C.J.I.S. policy council act, 1974 PA 163, MCL 28.211 to 28.215.

(c) Executive Reorganization Order No. 2008-2, MCL 28.162.

(d) Executive Order No. 2011-7.

(e) R 28.5101 to R 28.5414 of the Michigan administrative code.

(f) 28 USC 534 and 28 CFR part 20, to the extent necessary to exchange criminal record information and fingerprint data through the interstate identification index and the national fingerprint file.

(g) The DNA identification profiling system act, 1990 PA 250, MCL 28.171 to 28.176, and R 28.5051 to R 28.5059 of the Michigan administrative code.

(h) The DNA identification act, 42 USC 14131 to 14137c.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the AFIS database, with a goal of at least 97% of submissions provided electronically as provided in section 219.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average wait time.

FIELD SERVICES

GENERAL LAW ENFORCEMENT AND TRAFFIC SAFETY

Sec. 501. (1) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities in enforcing the criminal and civil laws of this state, including the enforcement of traffic laws, as provided under 1935 PA 59, MCL 28.1 to 28.16.

(2) The department, in keeping with its role as the general law enforcement agency of the state and as the law enforcement agency of last resort for communities that are either without local law enforcement resources or seriously underserved by local law enforcement resources, shall provide general law enforcement assistance to those communities until adequate law enforcement services can be provided to those communities by other means.

(3) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for protecting every citizen of this state from harm.

(4) The department shall maintain the staffing and resources necessary to make traffic contacts per patrol hours commensurate with the service level and contact areas exhibited in fiscal year 2010-2011. There shall be no degradation of road patrol services to any region of this state.

(5) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout the state and shall dedicate a minimum of 315,000 hours to statewide patrol, of which a minimum of 24,000 shall be committed to distressed cities in this state, and 4,000 shall be committed to Belle Isle.

(6) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

(7) The department shall submit a report on or before December 1 to the subcommittees and the senate and house fiscal agencies regarding the secure cities initiative during the prior fiscal year. The report shall include, but is not limited to, statistics regarding criminal activity, including the number of arrests made by troopers assigned to the cities in distress, the number of traffic stops made by troopers assigned to cities in distress, the number of parole or probation violators arrested by troopers assigned to cities in distress, the number of violent and assaultive crimes committed in the cities in distress, the number of illegal drug and narcotic crimes committed in the cities in distress, and the number of property crimes committed in the cities in distress, and statistics regarding the number of local law enforcement officers employed by the cities in distress.

SECURITY AT EVENTS

Sec. 502. The department shall respond to potential and imminent threats to this state's facilities, systems, and property, and large-scale recreational and major public events.

CRIMINAL INVESTIGATIONS

Sec. 503. (1) The department shall maintain the staffing and resources necessary to identify and apprehend criminals through criminal investigations in this state, as provided by law, including the following authorities:

(a) 1935 PA 59, MCL 28.1 to 28.16.

(b) The Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 56%, with the goal of achieving a 60% clearance rate by September 30, 2015.

(4) The department shall annually provide 4 training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, trends, and legal issues.

CRIMINAL INVESTIGATIONS - TOBACCO TAX FRAUD INVESTIGATIONS

Sec. 504. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in the state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

CRIMINAL INVESTIGATIONS - FIRE INVESTIGATIONS

Sec. 505. (1) The department shall maintain the staffing and resources necessary to provide fire investigation services to citizens of this state through investigative assistance to local law enforcement agencies as provided under the fire investigation and criminal enforcement provisions under sections 6 and 7 of the fire prevention code, 1941 PA 207, MCL 29.6 and 29.7.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for fire investigation services that occurred in fiscal year 2010-2011 and shall be available for call out statewide 100% of the time.

SPECIALIZED SERVICES

SPECIAL OPERATIONS

Sec. 601. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall operate the Michigan intelligence operation center for homeland security as the state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners, as provided under Executive Order No. 2012-5.

(3) Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money, if specified.

(4) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications. The department shall seek to increase the number of public and private sector contacts which receive vital homeland security information and intelligence in order to enhance the safety and security for citizens of this state.

(5) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2010-2011.

(6) The canine unit shall be available for call out statewide 100% of the time.

(7) The bomb squad unit shall be available for call out statewide 100% of the time.

(8) The emergency support teams shall be available for call out statewide 100% of the time.

(9) The underwater recovery unit shall be available for call out statewide 100% of the time.

(10) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

COMMERCIAL VEHICLE ENFORCEMENT

Sec. 602. (1) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning motor carrier safety as provided under the following program authorities:

- (a) Section 6d of 1935 PA 59, MCL 28.6d.
- (b) Executive Reorganization Order No. 1982-1, MCL 28.21.
- (c) The vehicle size, weight, and load requirements under sections 716 to 750 of the Michigan vehicle code, 1949 PA 300, MCL 257.716 to 257.750, and 23 USC 127, 49 USC 31111, 49 USC 31113, and 23 CFR part 658.
- (d) The size and weight enforcement certification requirements under 23 USC 141 and 23 CFR part 657.
- (e) The operating authority provisions of the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and R 460.18101 to R 460.19301 of the Michigan administrative code.
- (f) The unified carrier registration provisions under section 7 of article IV of the motor carrier act, 1933 PA 254, MCL 487.7, the unified carrier registration act of 2005, 49 USC 14504a, and 49 CFR 367.30.
- (g) The motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234.
- (h) The international fuel tax agreement entered into by the state under section 2a of the motor carrier fuel tax act, 1980 PA 119, MCL 207.212a.
- (i) The motor fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170.
- (j) The vehicle registration provisions of chapters II and VII of the Michigan vehicle code, 1949 PA 300, MCL 257.201 to 257.259 and 257.801 to 257.821.
- (k) The international registration plan entered into by the state under section 801g of the Michigan vehicle code, 1949 PA 300, MCL 257.801g.
- (l) The motor carrier safety act, 1963 PA 181, MCL 480.11 to 480.25, as well as applicable federal motor carrier safety regulations adopted by the federal motor carrier safety administration and applicable hazardous materials regulations adopted by the federal pipeline and hazardous materials safety administration.
- (m) The commercial driver's license provisions of chapter III of the Michigan vehicle code, 1949 PA 300, MCL 257.301 to 257.329, and 49 USC 31311, 49 CFR part 383, and 49 CFR part 384.

(n) Section 25 of 1951 PA 51, MCL 247.675.

(2) The department shall provide the following information, as provided in section 219:

- (a) The number of oversize violations.
- (b) The number of overweight violations.
- (c) The number of vehicles weighed by scale type.
- (d) The number of citations and the estimated amount of civil fines by type of overweight violation.

(3) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning commercial motor vehicle safety inspections to the extent the department receives funding through the following federal programs:

- (a) The federal motor carrier safety assistance program, as authorized under 49 USC 31102 and 49 CFR part 350.
- (b) The border enforcement grant program established under 49 USC 31107.
- (c) The new entrant safety assurance program established under section 32102 of the moving ahead for progress in the 21st century act, 49 USC 31144(g), 49 CFR 350.21, and 49 CFR part 385 subpart D.
- (4) The department shall provide the following information as provided under section 219:
 - (a) The number of completed inspections supported with border enforcement grant funds.
 - (b) The number of new entrant safety audits completed.
- (5) The department shall maintain the staffing and resources necessary to annually inspect at least 57,000 commercial vehicles.

(6) The department shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities concerning the inspection of school buses as provided under the pupil transportation act, 1990 PA 187, MCL 257.1801 to 257.1877.

(7) The department shall annually provide the subcommittees and the senate and house fiscal agencies with the following information for each public and nonpublic school concerning the inspection of school buses:

- (a) The total number of school buses inspected.
- (b) The number of inspected school buses receiving a passing sticker.
- (c) The number of inspected school buses receiving a yellow sticker.
- (d) The number of inspected school buses receiving a red sticker.

EMERGENCY MANAGEMENT AND HOMELAND SECURITY

Sec. 606. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies, as provided under the following authorities:

(a) The emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and Executive Reorganization Order No. 1993-15, MCL 28.702.

(b) The Robert T. Stafford disaster relief and emergency assistance act, 42 USC chapter 68, and applicable regulations provided in title 44, chapter 1 of the code of federal regulations.

(c) Flood mitigation planning and activities, as provided under 42 USC 4104c, 44 CFR part 78, and 44 CFR part 79.

(d) Section 101 of the implementing recommendations of the 9/11 commission act of 2007, 6 USC 605.

(e) 1945 PA 302, MCL 10.31 to 10.33.

(f) The emergency planning and community right-to-know act, 42 USC 11001 to 11050.

(g) 10 CFR part 50, Appendix E.

(h) 44 CFR part 350.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the money appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan administrative code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. No later than December 1, the department shall provide an annual report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(9) From the funds appropriated in part 1 for emergency management and homeland security, \$500,000.00 shall be expended to support the urban search and rescue task force. In distributing funds under this subsection, the department shall require the task force to provide to the department the following information:

(a) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed to the task force under section 703(9) of article XVI of 2013 PA 59 discretely presented.

(b) Detail on the proposed expenditure of the funds distributed under this subsection.

(c) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed under this subsection discretely presented.

HIGHWAY SAFETY PLANNING

Sec. 608. (1) The department shall exercise the authority, powers, functions, and responsibilities concerning the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on Michigan roads through leadership, innovation, facilitation, and program support in partnership with other public and private organizations as provided under the following program authorities:

(a) 23 USC chapter 4 and 23 CFR part 1200.

(b) 1967 PA 213, MCL 247.841, 1941 PA 188, MCL 256.561 to 256.563, and Executive Reorganization Order No. 1969-1, MCL 28.61.

(c) Executive Reorganization Order No. 2002-5, MCL 256.571.

(d) The strategic highway safety plan provisions of 23 USC 148 and 23 CFR part 924.

(e) Section 25 of 1951 PA 51, MCL 247.675.

(2) The department shall provide for the publication of annual traffic crash data and notify the subcommittees and the senate and house fiscal agencies when such data are published.

HIGHWAY SAFETY PLANNING - SECONDARY ROAD PATROL PROGRAM

Sec. 610. (1) The department shall exercise the authority, functions, powers, and responsibilities concerning the secondary road patrol program to provide funding to county sheriff departments to patrol secondary roads as provided in the following program authorities:

(a) Sections 76 and 77 of 1846 RS 14, MCL 51.76 and 51.77.

(b) Executive Reorganization Order No. 1989-1, MCL 28.31.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

(3) The department shall provide the following information on secondary road patrol activities supported by appropriations in part 1, as provided in section 219:

(a) The number of full-time equivalent county sheriff secondary road patrol deputies.

(b) The number of hours dedicated to patrol under the secondary road patrol program, with an annual goal of at least 178,000 hours.

(4) The information required to be reported under subsection (3) shall be reported for each quarter of the fiscal year. However, the department may submit this information on a semiannual basis.

ONE-TIME APPROPRIATIONS

Sec. 701. The department shall maintain the staffing and resources necessary to train at least 100 Michigan state police trooper recruits.

Sec. 702. From the 1-time appropriation in part 1 for the emergency response team vehicle replacement, the department shall purchase 1 vehicle to support the emergency response team.

Sec. 703. The department shall maintain the staffing and resources necessary to train at least 31 Michigan state police motor carrier officer recruits.

Sec. 704. The 1-time appropriation in part 1 for aviation support - helicopter purchase shall be used to provide patrol segments in the area of the city of Detroit 5 times per week, allowing existing secondary department helicopters to provide similar patrol service to areas that may include the cities of Flint, Pontiac, and Saginaw and to reduce the annual number of occasions when requests for helicopter support were unable to be met from the number of 72 in fiscal year 2012-2013.

Sec. 705. The 1-time appropriation in part 1 for LEIN language conversion shall be used to update the language currently used by LEIN to XML to allow LEIN messages to be in a more common language that can be used to share information more easily with other criminal justice partners.

Sec. 706. The 1-time appropriation in part 1 for electronic warrant report system shall be to provide for a statewide information exchange system to eliminate the redundant entry of information required to request, approve, and issue warrants for arrest, including information exchanged with prosecutors, courts, LEIN, criminal history databases, the state forensic laboratory, and the state court administrative office, designed to save the time and effort of law enforcement personnel as compared to current procedures.

Sec. 707. The department shall provide traffic control for events at Michigan international speedway.

Sec. 708. (1) The 1-time appropriation in part 1 for local public safety initiative shall be used for local public safety technology and equipment grants with a focus on school safety, distributed as follows:

(a) Eighty percent of the 1-time appropriation in part 1 for local public safety initiative shall be disbursed in the form of competitive grants to K-12 schools, without bias toward public or private educational institutions. The grants shall support the purchase and implementation of safety-related acquisitions such as enhanced 9-1-1 abilities, malicious call tracing, physical deterrents, real-time location systems, emergency alert software, other technologies, equipment, school building security enhancements, or employee training.

(b) Twenty percent of the 1-time appropriation in part 1 for local public safety initiative shall be disbursed in the form of competitive grants to county sheriff departments for the purchase of equipment, technologies, or officer training that would enhance K-12 school safety and the departments' ability to effectively coordinate their response to safety-related incidents at schools.

(2) The governor's council on law enforcement and reinvention shall review applications and make award recommendations to the department.

(3) The department shall report to the subcommittees any grant award determinations made under this appropriation prior to their issuance.

Sec. 709. The 1-time funds appropriated in part 1 for rent and building occupancy charges - Marshall post shall be expended to buy down a portion of the department's share of construction and operating costs for the Marshall regional law enforcement center. Lease terms shall be subject to a market analysis performed by the department of technology, management, and budget to substantiate the rental amount.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, excluding appropriations designated as 1-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

Sec. 1202. It is the intent of the legislature that, with the resources provided within appropriations for fiscal year 2014-2015 and fiscal year 2015-2016, the following shall be achieved:

(a) State police trooper patrol hours shall increase by no less than 9% from fiscal year 2014-2015 to fiscal year 2015-2016.

(b) Aviation patrol hours shall increase by 30% and the helicopter acquired under fiscal year 2014-2015 appropriations shall be used to provide patrol segments in the city of Detroit 5 times per week, allowing existing secondary department-owned helicopters to provide similar patrol service to areas that may include the cities of Flint, Pontiac, and Saginaw and shall reduce the number of occasions when requests for helicopter support were unable to be met from the number of 72 in fiscal year 2012-2013 to lower than 50 for fiscal year 2015-2016.

(c) Motor carrier officer vehicle inspections shall increase by no less than 12%.

(d) The conversion of LEIN language to XML shall result in an increase in ease in the number of law enforcement partners that the department communicates with and to maintain the ability to exchange law enforcement information with the international justice and public safety network.

(e) The establishment and use of the electronic warrant system shall further increase the time and effort saved by the department and other law enforcement agencies by eliminating the redundant entry of information required to request, approve, and issue warrants for arrest, including information exchanged with prosecutor, courts, LEIN, criminal history databases, the state forensic laboratory, and the state court administrative office.

ARTICLE XVII

STATE TRANSPORTATION DEPARTMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2015, from the following funds:

STATE TRANSPORTATION DEPARTMENT APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,912.3	
GROSS APPROPRIATION		\$ 3,701,098,600
Total interdepartmental grants and intradepartmental transfers		3,786,900
ADJUSTED GROSS APPROPRIATION		\$ 3,697,311,700
Federal revenues:		
Federal aid - transportation programs		1,205,885,500
Total federal revenues		1,205,885,500
Special revenue funds:		
Local revenues		50,177,100
Private revenues		100,000
Total local and private revenues		50,277,100
Blue Water Bridge fund		37,759,800
Comprehensive transportation fund		280,104,200
Economic development fund		53,597,000
IRS debt service rebate		6,981,700
Intercity bus equipment fund		140,000
Local bridge fund		28,884,100
Michigan transportation fund		1,017,972,100
Rail freight fund		6,000,000
State aeronautics fund		15,006,600
State trunkline fund		708,555,700
Total other state restricted revenues		2,155,001,200
State general fund/general purpose		\$ 286,147,900
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose	0	
One-time state general fund/general purpose	286,147,900	

Sec. 102. DEBT SERVICE

State trunkline	\$	198,076,600
Economic development		11,665,300
Local bridge fund.....		2,406,700
Blue Water Bridge fund		6,962,000
Airport safety and protection plan.....		4,992,200
Comprehensive transportation.....		18,215,500
GROSS APPROPRIATION	\$	242,318,300
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs.....		45,726,400
Special revenue funds:		
Blue Water Bridge fund		6,962,000
Comprehensive transportation fund		18,215,500
Economic development fund.....		11,665,300
Local bridge fund.....		2,406,700
IRS debt service rebate		6,981,700
State aeronautics fund		4,992,200
State trunkline fund.....		145,368,500
State general fund/general purpose	\$	0

Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES

MTF grant to department of environmental quality	\$	1,312,800
MTF grant to department of state for collection of revenue and fees		20,000,000
MTF grant to department of treasury		2,700,000
MTF grant to legislative auditor general		303,500
STF grant to department of attorney general.....		2,387,000
STF grant to civil service commission.....		5,697,000
STF grant to department of technology, management, and budget		1,296,300
STF grant to department of state police		11,433,400
STF grant to department of treasury		129,900
STF grant to legislative auditor general.....		704,900
SAF grant to department of attorney general		174,400
SAF grant to civil service commission		150,000
SAF grant to department of technology, management, and budget.....		38,600
SAF grant to department of treasury		74,300
SAF grant to legislative auditor general		29,100
CTF grant to department of attorney general		200,900
CTF grant to civil service commission		200,000
CTF grant to department of technology, management, and budget.....		47,000
CTF grant to department of treasury		16,400
CTF grant to legislative auditor general		37,300
GROSS APPROPRIATION	\$	46,932,800
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		501,600
Michigan transportation fund.....		24,316,300
State aeronautics fund		466,400
State trunkline fund.....		21,648,500
State general fund/general purpose	\$	0

Sec. 104. EXECUTIVE DIRECTION

Full-time equated unclassified positions	6.0	
Full-time equated classified positions.....	29.3	
Unclassified salaries.....		\$ 724,700
Asset management council.....		1,626,400
Commission audit—29.3 FTE positions.....		3,356,700
GROSS APPROPRIATION		\$ 5,707,800

Appropriated from:		
Special revenue funds:		
Michigan transportation fund	\$	1,626,400
State trunkline fund		4,081,400
State general fund/general purpose	\$	0

Sec. 105. BUSINESS SUPPORT

Full-time equated classified positions	53.0	
Business support services—44.0 FTE positions	\$	6,662,100
Economic development and enhancement programs—9.0 FTE positions		1,452,600
Property management		8,066,500
Worker's compensation		2,237,800
GROSS APPROPRIATION	\$	18,419,000

Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		1,550,700
Economic development fund		378,700
Michigan transportation fund		779,600
State aeronautics fund		634,600
State trunkline fund		15,075,400
State general fund/general purpose	\$	0

Sec. 106. INFORMATION TECHNOLOGY

Information technology services and projects	\$	31,473,500
GROSS APPROPRIATION	\$	31,473,500

Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		520,500
Special revenue funds:		
Blue Water Bridge fund		53,700
Comprehensive transportation fund		218,100
Economic development fund		37,200
Michigan transportation fund		288,000
State aeronautics fund		170,200
State trunkline fund		30,185,800
State general fund/general purpose	\$	0

Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES

Full-time equated classified positions	185.0	
Finance, contracts, and support services	\$	21,311,000
GROSS APPROPRIATION	\$	21,311,000

Appropriated from:		
Interdepartmental grant revenues:		
IDG for accounting service center user charges		3,786,900
Special revenue funds:		
Michigan transportation fund		1,553,400
State trunkline fund		15,970,700
State general fund/general purpose	\$	0

Sec. 108. TRANSPORTATION PLANNING

Full-time equated classified positions	141.0	
Transportation planning—141.0 FTE positions	\$	38,271,800
Grants to regional planning councils		488,800
GROSS APPROPRIATION	\$	38,760,600

Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		20,000,000

Special revenue funds:	
Comprehensive transportation fund	\$ 610,500
Michigan transportation fund	8,649,200
State aeronautics fund	15,000
State trunkline fund	9,485,900
State general fund/general purpose	\$ 0

Sec. 109. DESIGN AND ENGINEERING SERVICES

Full-time equated classified positions.....	1,586.3	
Engineering services—427.6 FTE positions.....		\$ 50,761,600
Program services—1,108.7 FTE positions		104,867,000
Welcome center operations—50.0 FTE positions		4,460,000
GROSS APPROPRIATION	\$	<u>160,088,600</u>
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		23,529,800
Special revenue funds:		
Michigan transportation fund		11,946,200
State trunkline fund		124,612,600
State general fund/general purpose	\$	0

Sec. 110. HIGHWAY MAINTENANCE

Full-time equated classified positions	747.7	
State trunkline operations—747.7 FTE positions		\$ 310,440,500
GROSS APPROPRIATION		\$ 310,440,500
Appropriated from:		
Special revenue funds:		
State trunkline fund		310,440,500
State general fund/general purpose	\$	0

Sec. 111. ROAD AND BRIDGE PROGRAMS

State trunkline federal aid and road and bridge construction	\$ 824,646,200
Local federal aid and road and bridge construction	240,443,000
Grants to local programs	33,000,000
Rail grade crossing	3,000,000
Local bridge program	26,477,400
County road commissions	597,608,200
Cities and villages	333,193,300
GROSS APPROPRIATION	\$ 2,058,368,100
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs	982,720,800
Special revenue funds:	
Local funds	30,000,000
Blue Water Bridge fund	24,391,900
Local bridge fund	26,477,400
Michigan transportation fund	966,801,500
State trunkline fund	27,976,500
State general fund/general purpose	0

Sec. 112. BLUE WATER BRIDGE

Full-time equated classified positions.....	41.0	
Blue Water Bridge operations—41.0 FTE positions.....		\$ 6,352,200
GROSS APPROPRIATION		\$ 6,352,200
Appropriated from:		
Special revenue funds:		
Blue Water Bridge fund		6,352,200
State general fund/general purpose	\$	0

Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT

Forest roads.....	\$	5,000,000
Rural county urban system		2,500,000
Target industries/economic redevelopment		18,757,800
Urban county congestion.....		7,629,000
Rural county primary		7,629,000
GROSS APPROPRIATION	\$	41,515,800
Appropriated from:		
Special revenue funds:		
Economic development fund.....		41,515,800
State general fund/general purpose	\$	0

Sec. 114. AERONAUTICS SERVICES

Full-time equated classified positions.....	54.0	
Aviation services—54.0 FTE positions	\$	7,430,600
Air service program		289,700
GROSS APPROPRIATION	\$	7,720,300
Appropriated from:		
Special revenue funds:		
State aeronautics fund		7,720,300
State general fund/general purpose	\$	0

Sec. 115. PUBLIC TRANSPORTATION SERVICES

Full-time equated classified positions	36.0	
Passenger transportation services—36.0 FTE positions	\$	5,699,500
GROSS APPROPRIATION	\$	5,699,500
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		972,100
Special revenue funds:		
Comprehensive transportation fund		4,727,400
State general fund/general purpose	\$	0

Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING

Local bus operating	\$	167,400,000
Nonurban operating/capital		25,187,900
GROSS APPROPRIATION	\$	192,587,900
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		23,187,900
Special revenue funds:		
Comprehensive transportation fund		167,400,000
Local funds.....		2,000,000
State general fund/general purpose	\$	0

Sec. 117. INTERCITY PASSENGER

Full-time equated classified positions	39.0	
Office of rail—39.0 FTE positions	\$	6,368,200
Freight property management.....		1,000,000
Detroit/Wayne County port authority		468,200
Intercity services.....		5,690,000
Rail operations and infrastructure		57,022,400
Marine passenger service.....		400,000
Terminal development		150,000
GROSS APPROPRIATION	\$	71,098,800
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		14,600,000

Special revenue funds:		
Local funds.....	\$	150,000
Private funds		100,000
Comprehensive transportation fund		47,388,900
Intercity bus equipment fund.....		140,000
Rail freight fund		6,000,000
Michigan transportation fund.....		2,011,500
State trunkline fund.....		708,400
State general fund/general purpose	\$	0

Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT

Specialized services	\$	17,938,900
Municipal credit program.....		2,000,000
Transit capital.....		32,145,300
Van pooling		195,000
Service initiatives		4,197,300
Transportation to work.....		4,700,000
GROSS APPROPRIATION	\$	61,176,500

Appropriated from:

Federal revenues:

Federal aid - transportation programs		16,050,000
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Special revenue funds:

Local funds.....		5,635,000
Comprehensive transportation fund		39,491,500
State general fund/general purpose	\$	0

Sec. 119. CAPITAL OUTLAY

(1) BUILDINGS AND FACILITIES

Special maintenance, remodeling, and additions.....	\$	3,001,500
GROSS APPROPRIATION	\$	3,001,500

Appropriated from:

Special revenue funds:

State trunkline fund.....		3,001,500
State general fund/general purpose	\$	0

(2) AIRPORT IMPROVEMENT PROGRAMS

Airport safety, protection, and improvement program	\$	91,978,000
GROSS APPROPRIATION	\$	91,978,000

Appropriated from:

Federal revenues:

Federal aid - transportation programs		78,578,000
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Special revenue funds:

Local funds.....		12,392,100
State aeronautics fund		1,007,900
State general fund/general purpose	\$	0

Sec. 120. ONE-TIME BASIS ONLY

State trunkline federal aid and road and bridge construction	\$	127,000,000
State and local road and bridge programs.....		144,500,000
Transit capital and rail infrastructure		10,000,000
High-speed rail crossing pilot program.....		1,500,000
Regional transit authority.....		1,100,000
Airport safety, protection, and improvement program		2,047,900
GROSS APPROPRIATION	\$	286,147,900

Appropriated from:

State general fund/general purpose	\$	286,147,900
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PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2014-2015 is \$2,441,149,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is \$1,316,686,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to regional planning councils	\$	488,800
Grants to local programs.....		33,000,000
Rail grade crossing.....		3,000,000
Local bridge program		26,477,400
Grants to county road commissions.....		597,608,200
Grants to cities and villages		333,193,300
Economic development fund.....		22,758,000
Air service program.....		289,700
Local bus operating.....		167,400,000
Detroit/Wayne County port authority		468,200
Marine passenger service.....		400,000
Terminal development		150,000
Specialized services.....		3,853,900
Municipal credit program.....		2,000,000
Transit capital.....		25,895,300
Service initiatives		2,847,300
Transportation to work.....		4,700,000
Airport safety, protection, and improvement program		1,007,900
One-time state and local road and bridge programs		88,000,500
One-time regional transit authority		1,100,000
One-time airport safety, protection, and improvement program.....		2,047,900
Total payments to local units of government	\$	1,316,686,400

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "Amtrak" means the national railroad passenger corporation.
- (b) "CTF" means comprehensive transportation fund.
- (c) "Department" means the state transportation department.
- (d) "DOT" means the United States department of transportation.
- (e) "DOT-FHWA" means DOT, federal highway administration.
- (f) "FTE" means full-time equated.
- (g) "IRS" means the internal revenue service.
- (h) "MTF" means Michigan transportation fund.
- (i) "SAF" means state aeronautics fund.
- (j) "STF" means state trunkline fund.

Sec. 204. (1) For each new program or program expansion for which funds in excess of \$500,000.00 are appropriated in part 1, the department shall identify specific benchmarks intended to measure the performance or return on taxpayer investment of the program and its associated expenditures. Not later than November 1, 2014, the department shall report the proposed benchmarks to the house and senate appropriations subcommittees for that department, the house and senate fiscal agencies, and the state budget director. The department shall provide an update on its progress in achieving those benchmarks at an appropriations subcommittee meeting called for the purpose of discussing benchmarks and their status.

(2) It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2016, any proposal for a new program or an expansion of an existing program in excess of \$500,000.00 initiated by the executive branch or the legislature shall include, as part of the original proposal or budget request, a list of benchmarks intended to measure the performance or return on taxpayer investment of the program or spending increase.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 215. A department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house of representatives standing committees on appropriations, and the senate and house fiscal agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the state budget director, the senate and house appropriations chairs, the senate and house appropriations subcommittees on transportation, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2014 and September 30, 2015.

Sec. 233. Not later than April 1, the department shall prepare and transmit a report that provides detail regarding the department's expenditures for administration and planning associated with local units of government. The report shall list the portion of all the expenditures from part 1 that are allocated for administration and planning that are associated with the disbursement of all local funds. The report shall be transmitted to the office of the state budget, the senate and house appropriations chairs, the senate and house appropriations subcommittees on transportation, respectively, and the senate and house fiscal agencies.

Sec. 235. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 260. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 262. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 263. (1) The department shall report no later than April 1, 2015 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.

(2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(3) As used in this section:

(a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

(b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Sec. 270. In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, the department will prioritize the utilization of remanufactured parts as the primary means of maintenance and repair for the state of Michigan's fleet of motor vehicles.

Sec. 271. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 are \$75,324,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$42,130,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$33,194,100.00.

DEPARTMENTAL SECTIONS

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which

the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. (1) The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

(2) The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general, and the report shall be subject to audit by the auditor general as provided in subsection (3).

(3) Biennially, in each even-numbered fiscal year, the auditor general shall conduct an audit of charges to transportation funds by state departments for the 2 preceding fiscal years. The audit shall include both charges governed by interdepartmental contracts as well as miscellaneous charges from other state departments not governed by contracts. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a summary of charges and related services to transportation funds by department, the appropriateness of those charges, the cost allocation methodologies used in determining the level of funding, and any unreimbursed transportation-related costs, if any. The report shall be provided to the senate and house of representatives committees on appropriations, the senate and house fiscal agencies, and the state budget director 9 months after publication of the state of Michigan comprehensive annual financial report.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 308. (1) As prescribed in subsection (2), the department shall submit reports to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to the prequalification of construction contractors under 1933 PA 170, MCL 123.501 to 123.508, and related administrative rules. The report shall be submitted on or before March 1, 2015.

(2) The report shall include all of the following:

(a) A description of the department's processes and procedures for evaluating construction contractor performance on capital construction projects administered by the department including state trunkline projects, rail infrastructure projects, local agency federal-aid highway projects, and airport improvement projects.

(b) Criteria that would cause the department to rate contractor performance as unsatisfactory.

(c) The impact, if any, on a contractor's prequalification if given an unsatisfactory performance rating by the department.

(d) A description of all department actions related to unsatisfactory contractor performance ratings and restrictions on contractor prequalification during the fiscal year ending September 30, 2014.

Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 311. From the funds appropriated in part 1, the department shall conduct a study of the feasibility of constructing a pedestrian-only crossing over Bear River in Petoskey that would run parallel to the existing US Highway 31 crossing over Bear River.

Sec. 312. (1) The department shall conduct a workgroup in conjunction with the department of community health, the department of human services, the department of corrections, the strategic fund in the department of treasury, and 1 member from both the senate and the house of representatives to determine how the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidating all of the current transportation services for these populations under 1 department.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the findings of the workgroup on the items described in subsection (1).

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

(3) The department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of the state infrastructure bank. The report shall be submitted on or before December 1, 2014. The report shall include all of the following:

(a) The balance in the state infrastructure bank at September 30, 2014, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts designated as originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 381. The department shall require as a condition of each contract or subcontract for construction, maintenance, or engineering services that the prequalified contractor or prequalified subcontractor agree to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department. The department shall report to the house and senate appropriations committees and the house and senate fiscal agencies by March 1, 2015 describing the processes it has developed and implemented under provisions of this section. As used in this section, "E-Verify" means an Internet-based system operated by the department of homeland security, U.S. citizenship and immigration services in partnership with the social security administration.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2014. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, purpose of travel, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies no later than February 1, 2015.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

(4) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives and only when the aircraft is already scheduled by state agencies on related official state business.

(5) It is the intent of the legislature that the department work with the Michigan state police to establish a reciprocal agreement on employing fixed-wing aircraft with specifically designed equipment for use by the Michigan state police when conducting operations.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Detroit River International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Detroit River International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Detroit River International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit reports to the state budget director, the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to all nonconstruction or construction planning activities related to the Detroit River International Crossing or a renamed successor. The initial report shall be submitted on or before December 1, 2014 and shall cover the fiscal year ending September 30, 2014.

(2) The initial report shall include, at a minimum, all of the following:

(a) Department costs incurred in the fiscal year ending September 30, 2014, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(b) Costs of other executive branch agencies incurred in the fiscal year ending September 30, 2014, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(c) A breakdown of the source of funds used for the activities described in subdivisions (a) and (b).

(d) A breakdown of reimbursements made by Canada under section 384(1) to the state for expenditures for staff resources used in connection with project activities.

(e) A narrative description of the status of the Detroit River International Crossing or a renamed successor, including efforts undertaken to implement provisions of the crossing agreement executed June 15, 2012 by representatives of the Canadian government and this state.

(3) After submission of the initial report, a subsequent report shall be submitted on March 1, 2015, June 1, 2015, and September 1, 2015 and shall include the same information described in subsection (2) for the applicable previous fiscal quarter.

Sec. 393. (1) The department shall promote best practices for public transportation services in this state, including, but not limited to, the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses.

(b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(c) Coordination of transportation dollars among state departments which provide transit-related services, including the department of human services and the department of community health. Priority should be given to use of public transportation services where available.

(d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

(2) The department shall report on efforts taken to implement this section as well as section 393 of article XVII of 2011 PA 63. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1, 2015.

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

FEDERAL

Sec. 401. Within 30 days of receiving the applicable fiscal year authorization from the federal government to commit transportation funds, the department shall notify local agency representatives, the senate and house of representatives appropriations transportation subcommittees, the senate and house fiscal agencies, and the state budget director regarding the amount of federal aid for categorical allocations to state and local agency programs not specifically allocated in either federal or state law.

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. The department shall work with the road construction industry and engineering consulting community to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30 of each calendar year to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties. The department shall report to the legislature on policy options to strengthen and expand the use of road construction warranties or other measures to increase accountability related to the performance of construction projects on both state and local roads. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before November 1, 2014.

Sec. 603. The department shall use traffic congestion as 1 of the criteria in determining the priorities for designating which roads shall be remediated in its 5-year road plan, which must be submitted on or before March 1 of each year. Criteria for evaluating traffic congestion shall include, but not be limited to, coordination with local, county, and regional planning, improvement in traffic operations, improvement in physical roadway conditions, accident reduction, and coordination with area public transportation planning.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 610. The department shall have as a priority the removal of dead deer and other large animal remains from the traveled portion and shoulder of state highways. The department, and counties that perform state highway maintenance under contract, shall remove animal remains, wherever practicable and when funds are available, away from the traveled portion and shoulder of state highways.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1 of each year, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or disincentives, the amount of the incentives and/or disincentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials, including recycled materials, and to develop criteria and specifications for their use in both department-managed and contracted projects.

(2) The department shall evaluate the use of a bituminous mix which incorporates crumb rubber from scrap tires.

(3) The department shall report on efforts taken to implement this section. The report shall include descriptions of specific materials evaluated, evaluation methods, and results of specific field or laboratory tests. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1, 2015.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment

fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 706. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by February 15 of each fiscal year for the prior fiscal year.

Sec. 711. (1) As prescribed in subsection (2), the department shall submit reports to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on rail passenger service provided by Amtrak under a contractual agreement with the department. The report shall be submitted on or before May 1, 2015.

(2) The report shall include all of the following:

(a) Passenger counts for the preceding fiscal year for each of the 3 Amtrak routes in Michigan.

(b) Revenue and operating expenses by Amtrak route.

(c) Total state operating payments to Amtrak in the preceding fiscal year by Amtrak route.

(d) A discussion of major factors affecting route costs and revenue and net state costs in the preceding fiscal year, and factors affecting route costs and revenue and net state costs anticipated in the current and future fiscal years.

Sec. 712. From the funds appropriated in part 1, the department shall conduct a study of the feasibility of rail passenger service on the rail corridor between Holland and Detroit, via Grand Rapids and Lansing. The study shall include ridership projections within the corridor, estimated rail passenger service capital and operating costs, and revenue estimates. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before May 1, 2015.

Sec. 735. For the fiscal year ending September 30, 2015, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

Sec. 740. The department shall report by March 1 of each year to the house of representatives and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director the encumbered and unencumbered balances of the comprehensive transportation fund.

Sec. 741. By December 1, 2014, the department shall submit a report to the senate and house appropriations subcommittees on transportation and the senate and house fiscal agencies on the need, feasibility, and cost of increasing the safety standard for transit buses procured by Michigan transit agencies by requiring a federally approved rollover test standard.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 802. The legislature encourages the department to find private entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share greater than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 902. Before the end of each fiscal year, the state transportation department shall report to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies on the status of airport improvement projects funded in part 1 with the estimated dollars allocated for each project. If there has to be a delay in reporting, the state transportation department shall notify the house and senate appropriations subcommittees on transportation in writing of the date the report will be received.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME APPROPRIATIONS

Sec. 1001. The 1-time appropriation in part 1 of \$127,000,000.00 from the state general fund is appropriated to the state trunkline federal aid and road and bridge construction program and is intended to ensure that the state is able to match all available federal-aid highway funds.

Sec. 1002. The appropriation in part 1 of \$144,500,000.00 from the state general fund for state and local road and bridge programs shall be distributed to the state trunkline fund, county road commissions, and cities and villages, in the same percentages described in section 10(1)(j) of 1951 PA 51, MCL 247.660. Funds distributed to county road commissions under this section shall be distributed among the county road commissions in accordance with section 12 of 1951 PA 51, MCL 247.662. Funds distributed to cities and villages under this section shall be distributed among cities and villages in accordance with section 13 of 1951 PA 51, MCL 247.663.

Sec. 1003. By December 1, 2015, the department shall report to the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies, on the use of 1-time general fund/general purpose funds appropriated in part 1 for transit capital and rail infrastructure. The report shall include a summary of funds expended, encumbered, and lapsed for both transit capital and rail infrastructure. With regard to transit capital projects, the report shall include grantees, grant amounts, project description, and project completion dates. With regard to rail infrastructure projects, the report shall include grant amounts, project description, and project completion dates.

Sec. 1004. The part 1 appropriation, high-speed rail crossing pilot program, shall be allocated for a pilot project to test traffic control devices at rail grade crossings on railroad tracks that are federally designated as a high-speed rail corridor under 49 USC 26106. Any pilot project entered into under this section shall be done using a competitive bidding process.

Sec. 1005. (1) The part 1 appropriation line item, regional transit authority, shall be expended for the purpose of funding staff and other administrative costs associated with the initial organization and operation of the authority created under the regional transit authority act, 2012 PA 387, MCL 124.541 to 124.558. These funds shall not be used for the ongoing operation of transit services.

(2) It is the intent of the legislature that in developing a public transit plan for the region, as required by section 7(3) of the regional transit authority act, 2012 PA 387, MCL 124.547, the authority develop a plan for the authority to exercise direct control and authority over any existing transit services, whether through acquisition of existing transit service providers or alternate means.

(3) The authority shall include in its report to the legislature, as required under section 6(8) of the regional transit authority act, 2012 PA 387, MCL 124.546, a description of its activities under subsection (2).

Sec. 1006. (1) From the funds appropriated in part 1, there is appropriated to the department \$10,000,000.00 for the purposes of facilitating the construction of a new rail tunnel crossing of the Detroit River between the city of Detroit and Windsor, Ontario, Canada, referenced in the balance of this section as "the project".

(2) The department shall not expend any funds from the appropriation in subsection (1) until the following conditions are met:

(a) The project has obtained all necessary environmental and cross-border crossing permits from the governments of Canada and the United States.

(b) The project is included in the long-range transportation plan of the southeast Michigan council of governments.

(c) The department is satisfied that the project will accommodate not fewer than 400,000 rail cars per year.

(d) The department is satisfied that the project will be available for use by all rail companies.

(e) The department is satisfied that all approvals necessary for the completion of the project have been secured.

(3) On November 10, 2014, the department shall provide a status update to the house and senate transportation appropriations subcommittees and the house and senate fiscal agencies.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2015-2016

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved

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Governor